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RESURGENCE
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An international expert panel report sounds the latest alarm on climate change. Will it finally spur governments to act to contain this grave threat, or will inertia and broken promises continue to be the order of the day? 5

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Chakravarthi Raghavan (1925-2021)

IT is with great sadness that we share the news that Chakravarthi Raghavan passed on peacefully on 26 September 2021 in Geneva at the age of 96.

Raghavan was Chief Editor of the *South-North Development Monitor* (*SUNS*) from 1980-2005 and, after his retirement, was designated Editor Emeritus. He was also Editor of *Third World Economics.* Both are publications of the Third World Network.

He was formerly at the Press Trust of India and served as its Editor-in-Chief from 1971-76. His journalistic experience included covering the United Nations in New York for nine years and, since 1978, in Geneva closely monitoring activities and negotiations at UNCTAD, GATT and the WTO as well as the UN specialised agencies.

Raghavan authored *Recolonization: GATT, the Uruguay Round and the Third World*, a seminal record of the negotiations that set up the post-1995 multilateral trade system – no other publication documents so well the struggle of the South, most of which had been unprepared for the onslaught of economic liberalisation launched by the developed countries in the name of 'trade'.

Raghavan went on to write several other books, including *The New Issues and Developing Countries*; *The World Trade Organization and Its Dispute Settlement System: Tilting the Balance Against the South*; *Developing Countries and Services Trade: Chasing a Black Cat in a Dark Room Blindfolded*; *The Third World in the Third Millennium CE: The Journey from Colonialism Towards Sovereign Equality and Justice*; and *The Third World in the Third Millennium CE: The WTO – Towards Multilateral Trade or Global Corporatism?*; as well as papers and numerous articles on trade and development, finance and other issues. He was presented the Group of 77/UNDP award for TCDC/ECDC (Technical and Economic Cooperation among Developing Countries) for 1997.

He was the pioneer in reporting in *SUNS* on the GATT and the Uruguay Round when those life-changing negotiations took place out of public sight, including the scrutiny of elected representatives.

We in the Third World Network mourn the passing of a giant of the South and defender of economic and social justice, and pledge to carry forth his legacy.

Our deepest condolences go to Artie Raghavan, his daughter, who was by his side all through his last months.

Indigenous forest dwellers in Bangladesh fear losing ancestral land

The indigenous communities living in Bangladesh's Madhupur Forest are at risk of eviction from the land they have called home for generations.

Rafiqul Islam

WHEN the Bangladesh Forest Department felled Basanti Rema's banana orchard, Rema, a Garo indigenous forest dweller of Madhupur Forest, felt she was living a nightmare.

Rema, from Pegmari village in Madhupur, Tangail district, had cultivated the banana plants on half an acre in the Madhupur Forest. But the Forest Department claimed that the land on which the bananas were cultivated belonged to the department.

Rema's story is not an unusual one as in the past the Garo and other indigenous minorities have been evicted from their ancestral land because of a lack of land rights.

'Land dispute is the main problem as the government declared 9,145 acres of land of Madhupur Forest as "absolute reserved forest", putting our living in our ancestral land at risk,' Jonajetra, a member of the Garo community living inside the forest, told Inter Press Service (IPS).

He said the Forest Department often filed false cases against the indigenous people for allegedly felling trees. Even children as young as seven and eight years old were being sued.

In a gazette notification from 15 February 2016, the Ministry of Environment and Forests declared the land of Madhupur Forest as a forest reserve under Section 20 of the Forest Act 1927.

'The Garo people have been facing various problems in the forest. The Forest Department frequently files false cases against us,' Eugin Nokrek, president of Joyenshahi Adivasi Unnayan Parishad, an indigenous peoples' organisation, told IPS.

Rafiqul Islam/IPS

Indigenous people form a human chain in Tangail district, Bangladesh, as they demand legal rights to their ancestral forest land.

'If we want to build a new house and dismantle our old one, the department obstructs our works. If we want to plant banana or pineapple orchards on our fallow land, we get objections from the Forest Department,' Nokrek said.

Fear of eviction

Despite living in the Madhupur Forest for generations, the indigenous Garo and other minorities have no right to the forest land. And drives by the Forest Department to recover land that has been lost to agriculture and land grabbing, have instilled a fear among the indigenous community of losing their ancestral land.

'We are on the verge of eviction from our ancestral land as the government has declared the Madhupur Forest as an "absolute reserved" one. We can be evicted from the forest anytime,' said Nokrek, who is also a member of the Garo minority.

Decades ago, Madhupur Garh, in Tangail district, used to have 122,876 acres of traditional shal forest. It was broken down as follows: 45,565 acres in Madhupur; 47,220 acres in Sakhipur; 21,855 acres in Ghatail; 7,576 acres in Mirzapur; and 669 acres in Kalihati upazila. Of these, 55,476 acres were reserved forests.

According to officials at the Tangail Forest Department, about 80,000 acres of the forest have already disappeared because of indiscriminate tree felling and forest grabbing. The process of land grabbing continues, officials said.

Tangail Divisional Forest Officer Dr Mohammad Jahirul Haque said the department would continue its drive to recover forest land from grabbers. However, he assured IPS that there is no plan to evict the indigenous people from the forest and they would remain on their ancestral land.

According to Sanjeeb Drong, General Secretary of the Bangladesh Indigenous Peoples' Forum, legally the Madhupur Forest is under the jurisdiction of the Forest Department but the indigenous people claim it as their ancestral land and have evidence to this effect.

Drong said the Madhupur Forest is home to the Garo, Barman and Koch ethnic minorities who have been living there for generations.


Rafiqul Islam/IPS

Traditional shal forest land is being grabbed and transformed into agricultural land.

Keeping a promise

While the country's current government is considered friendly to the rights of the indigenous population – the 2008 election manifesto of the ruling Awami League announced that once elected it would form an independent commission to resolve the land disputes of indigenous minorities – a fear of the actions of past governments still haunts the indigenous community.

Nokrek said that many indigenous families were evicted from the Madhupur Forest during the 2007-08 period when a caretaker government was in office.

Nokrek was concerned that if there was a change in power, a new, controversial government could evict them.

'We are the forest dwellers and we demand legal rights to our land where we have been living for generations. We want legal recognition of our ancestral land so that nobody can evict us,' Nokrek said.

'If we have legal recognition, we will get compensation once the government wants to acquire our ancestral land for greater interest,' he added.

Land owners are compensated when their land is acquired for government projects. But Garo and other indigenous minorities cannot receive compensation as they have no legal proof of ownership of the land.

'The long dispute over the land right of ethnic minorities is yet to be resolved ... the government has not formed the commission yet. The policymakers should take decisions on how to give the ethnic peoples rights to their ancestral land,' Drong said.

In 1956, the then Pakistani government declared the forest a national park and evicted indigenous people to acquire the forest land. Upon Bangladesh's independence in 1971, the Madhupur Forest was declared a national forest or reserved forest.

'Although Garo people had long been living in the forest, the landlords did not give land rights to them after the East Bengal State Acquisition and Tenancy Act was passed in 1950. That is why they lost their rights to their ancestral land,' Drong told IPS.

Land grabs

'The majority portion of the Madhupur Forest has already been grabbed by influential people and local encroachers,' Drong pointed out.

Nokrek said the Forest Department was planting acacia saplings, instead of traditional shal trees, under the social afforestation programme.

'If any such project is implemented, the Forest Department, politicians and influential people find business there,' he said.

Noting that due to pressure of an increasing population, the forest area was dwindling day by day, the indigenous leader said that in recent years, factories and industries were established on forest land through the falsification of documents.

Divisional Forest Officer Haque said that there was a total of 122,000 acres of traditional shal forest in Madhupur Garh, of which a vast area was occupied by local grabbers and influential people.

The Forest Department has so far recovered about 19,000 acres of grabbed forest land, he said.

As the forest is shrinking fast in Madhupur Garh, the forest official said that the government has taken a bigger initiative to restore the traditional shal forest and the fallow forest land will be brought under green coverage with the planting of new shal saplings. – *IPS* ◆

UNFCCC COPs – A tale of broken promises and shifting goalposts

The imperative of curbing climate change has never been starker, as a recent expert report and a devastating raft of extreme weather events have underlined. Will the coming UN climate conference make headway on this front, or will it, like so many previous meetings, be the setting for still more unmet pledges and evasive manoeuvrings by the rich countries?

Meena Raman

SINCE the release in August of a report by the Intergovernmental Panel on Climate Change (IPCC) on the 'physical science' of climate change, there has been much ado about the report being yet another wake-up call and a code red for humanity and the Earth's future.

(For more on the report's findings, see the article 'IPCC report issues dire warning on climate change' in this issue.)

Coming some two months ahead of the 26th Conference of the Parties (COP 26) to the United Nations Framework Convention on Climate Change (UNFCCC) in Glasgow, there are hopes among some that the report will spur governments to finally act to reverse the course of rising greenhouse gas emissions, including by phasing out fossil fuels, and address the grave impacts of climate change.

For others who have been following the UNFCCC COPs, however, such expectations are viewed as wishful, mainly due to the recalcitrant conduct of developed countries, with their history of broken promises, David Copperfield-type 'great escapes' from their obligations, shifting the goalposts from what has been agreed to, and reinterpreting the provisions of the Paris climate agreement to suit their corporate vested agendas.

A look at this history of broken promises and the developed countries' latest ploy of 'net zero' pledges along with their transnational corporate polluters will underline once again that we must beware of greenwashing and efforts at pulling the wool over our eyes.

The 2007 UN climate change conference in Bali *(pic)* could not come up with concrete emission reduction targets for developed countries. The history of UN climate meets has been littered with instances of developed-country recalcitrance and broken promises.

There will certainly be fresh seductive promises, including of new finance, which will be dangled for further concessions from developing countries. Before the developing world takes the bait, it is vital that we recall the broken promises and false solutions that detract from the real action needed now to limit temperature rise to below 1.5 degrees Celsius from pre-industrial levels.

Already in 1994, the UNFCCC noted that 'the largest share of historical and [then] current global emissions of greenhouse gases has originated in developed countries, that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs'.

The Convention's fundamental principle was that governments 'should protect the climate system for the benefit of present and future generations of humankind, on *the basis of equity* and in accordance with their common but differentiated responsibilities and respective capabilities (CBDR-RC)' (emphasis added). Accordingly, it was for 'developed countries to take the lead in combating climate change and the adverse effects thereof'. The provision by developed countries of finance and technology transfer to developing countries for climate change mitigation and adaptation was also agreed to.

Given the inadequacy of action by developed countries as regards limiting their greenhouse gas emissions, the Kyoto Protocol (KP) to the UNFCCC was enacted in 1997. However, the KP only targeted a 5% cut in aggregate emissions of developed countries (compared with 1990 levels) in its first commitment period, from 2008 to 2012. Despite this very low ambition, the United States left the Protocol.

In 2005, governments began discussing the second commitment period (2CP) of the KP. Since the US was not a Party to the KP, efforts began at COP 13 in Bali in 2007 to draw up a post-2012 agreement under the UNFCCC to get the US on board for targets comparable to those for developed countries under the KP.

Developed countries have sought to evade action in cutting their domestic carbon emissions.

Thus, a big North-South battle broke out in Bali. The developed countries' spin was that the KP would expire in 2012 and a new treaty to replace it was needed. Their agenda was basically to get the US to commit to emission cuts and for developing countries to also undertake binding cuts, which would furthermore not be conditional on the provision of finance and technology.

Developing countries countered this offensive by insisting that the KP was not dead but that what was needed was agreement on the 2CP with comparable emission cuts based on a top-down aggregate target for developed countries of at least 25-40% cuts from 1990 levels by 2020. (The 25-40% cuts were in reference to a 2°C warming limit and were grossly insufficient for a 1.5°C limit.)

In the end, there was no reference to the 25-40% cuts for developed countries anywhere in the Bali outcomes, given opposition mainly from the US. The final outcomes in Bali were to (i) agree to the 2CP for the KP and (ii) launch a comprehensive process to enable the full implementation of the Convention up to and beyond 2012. This was actually the precursor to the eventual Paris Agreement (PA) that was adopted in 2015.

For developing countries, the PA was viewed as the quid pro quo for the 2CP. However, while the PA was adopted in 2015 and came into effect in 2016, the 2CP was never ratified till 2020, and the promise in 2012 by developed countries in the KP to revisit their emission reduction targets by 2014 from 18% by 2020 to at least 25-40% was never realised.

Top-down vs bottom-up approach to emissions reductions

In fact, after the US was brought on board in Bali, the top-down legally binding approach under the 2CP for the KP began to unravel into a bottom-up approach with a pledge-and-review system at COP 16 in Cancun in 2010. This became the precursor to the 'nationally determined contributions' (NDCs) under the PA, where all governments can pledge what amount of emissions reductions they can undertake, without reference to an international target or approach.

Countries like India, Bolivia, Ethiopia and others were advancing the 'equitable access to atmospheric space' idea on how to have a fairer allocation of the remaining carbon budget under a temperature limit, taking into account historical and cumulative emissions of countries, including on a per capita basis. These equity-based proposals never saw the light of day, given the resistance of developed countries led especially by the US.

To make matters worse, at COP 24 in Katowice in 2018, it was decided that in the information governments are to provide on their NDCs, they can on their own accord indicate why their contributions are fair, with no reference to any criteria for such a determination.

Climate justice groups, however, have been calling for a fair-shares approach in relation to emissions reductions.[1]

Shifting the goalposts to 'net zero'

In the bottom-up pledge-and-review process of the NDCs, there are bound to be emissions gaps, between what countries should do to limit temperature rise and what they nationally determine.

Developed countries are now calling on all countries to plug the emissions gap, which turns the CBDR-RC principle on its head to 'common and shared responsibilities', with no reference to historical responsibility or equity between the North and the South.

The latest ploy is in advancing a 'net zero' target for all countries by mid-century, on the basis of the PA.

Article 4.1 of the PA refers to achieving a balance between emissions from sources and removals by sinks by mid-century, which is a global aspiration. It does not advance net zero as a country-wise approach, because the remaining carbon budget will not allow such a long-term target.

As pointed out by some Indian scientists, the IPCC Special Report on 1.5°C warming estimated the remaining carbon budget from 2018 onwards to be 480 gigatonnes of carbon dioxide equivalent ($GtCO_2eq$), for a 50% probability of restricting temperature rise to less than 1.5°C. 'At the current rate of emissions of about 42 $GtCO_2$ per year (the uncertainty being about 3 $GtCO_2$ either way), this budget would be consumed by default in 12 years. If global emissions start declining immediately by a fixed annual quantum and reach net zero by 2050, it would result in global cumulative emissions of 764 $GtCO_2$ between now and 2050, implying a greater than 70% probability of exceeding 1.5°C warming. If the remaining carbon budget of 480 Gt is to be adhered to, then with a steady linear decline in emissions, global carbon neutrality must be reached by 2039.'[2]

As climate justice groups have said, far from signifying climate ambition, the term 'net zero' is being used by a majority of polluting governments and corporations to orchestrate escape clauses so as to evade responsibility, shift burdens, disguise climate inaction, and in some cases even to scale up fossil fuel extraction, burning and emissions. The term is used to greenwash business-as-usual or even business-more-than-usual. At the core of these pledges are small and distant targets that require no action for decades, and promises of technologies which are unlikely ever to work at scale and which are likely to cause huge harm if they come to pass.[3]

Worse, COP 26 is slated to reach agreement on the rules for implementing carbon markets, yet another route for developed countries to escape from real emissions reductions at home and get developing countries to offset rich-country emissions, on the grounds that such an approach is more cost-effective.

Failure to deliver on emissions reductions...

In fact, according to the UNFCCC Secretariat, developed countries (so-called Annex I Parties to the Convention) on aggregate had achieved only 13% emissions reductions between 1990 and 2018.[4]

In aggregate, Annex I Parties' emissions fell by only a little between 1990 and 2020, from 19,279.28 $MtCO_2eq$ to 17,327.38 $MtCO_2eq$, with a projected further decrease to 16,939.47 $MtCO_2eq$ by 2030.

The main contributors to the reduction are the economies in transition, mainly in Eastern Europe and Russia. Countries in Western Europe, the United States, Japan, Australia, New Zealand and Canada did not manage to reduce their aggregate emissions between 1990 and 2020. Instead, their aggregate emissions slightly increased from 13,227.97 $MtCO_2eq$ in 1990 to 13,331.23 $MtCO_2eq$ in 2020, although based on current trends, they are projected to decrease to 12,702.49 $MtCO_2eq$ by 2030.

... and on finance

Developed countries, in order to secure a deal at COP 15 in Copenhagen in 2009 and then at COP 16 in Cancun in 2010, agreed to mobilise $100 billion per year in climate finance by 2020. They have failed to meet this promise and at COP 21 in 2015 in Paris, the date to meet this target was extended to 2025.

In Paris, there was agreement on a new finance goal to be set by 2025, which is to be based on the needs of developing countries and not plucked from a hat as was done in relation to the $100 billion pledge.

There is reluctance on the part of developed countries to agree on a definition of climate finance. Keeping the term vague helps fudge what is counted as the finance delivered to developing countries.

There is also a reluctance to engage in any discussion on finance for addressing loss and damage associated with climate change. This is a major problem, because climate science is showing that the adverse impacts of climate change are getting worse and worse, with much damage to developing countries where it is no longer possible to just adapt.

While the scale of the finance needed is indeed substantial, this is *not* a huge amount if there is political will to address it.

The International Renewable Energy Agency, for instance, has said that limiting temperature rise to well below 2°C (which to many climate justice groups is unacceptable) requires $110 trillion of cumulative worldwide investment in the energy sector until 2050. This amounts to about 2% of average global gross domestic product (GDP).

In relation to adaptation, estimates by the UN Environment Programme (UNEP) show that adaptation costs in developing countries are in the range of $140 billion to $300 billion per year by 2030 and $280 billion to $500 billion annually by 2050. It has been reported that the initial NDCs of 46 countries included estimates of their adaptation costs totalling $783 billion by 2030.

These numbers are not insurmountable given the experience of developed countries, which were able to deploy $10 trillion in just the first two months in response to the COVID-19 pandemic – three times more than the response to the 2008-09 financial crisis![5]

So the issue is not about there not being enough finance, but about whether there is political will to rescue the planet and the poor.

Conclusion

Given the track record of developed countries, there is a real danger that COP 26 will see more tricks being played to give the illusion that the world is on track to limiting temperature rise to below 1.5°C.

It can be expected that at the conference, more promises will be made by rich countries that there will be increased money coming if more developing countries get on board with long-term net zero targets and agree to the rules for carbon markets.

Then, Glasgow would be declared a 'successful' COP, but not all of us will be applauding. ◆

Meena Raman is Director of Programmes at the Third World Network and Coordinator of TWN's Climate Change Programme.

Endnotes

1. https://www.peoplesdemands.org/#read-the-demands-section
2. https://www.twn.my/title2/resurgence/2021/347/cover02.htm
3. https://demandclimatejustice.org/wp-content/uploads/2020/10/NOT_ZERO_How_net_zero_targets_disguis_climate_inaction_FINAL.pdf
4. https://www.twn.my/title2/climate/info.service/2020/cc201204.htm
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IPCC report issues dire warning on climate change

Human-induced global warming is fuelling weather extremes and the window of opportunity to stem catastrophic climate change is narrowing, according to the latest findings from a panel of international experts.

Indrajit Bose

'It is unequivocal that human influence has warmed the atmosphere, ocean and land.'

GLOBAL warming of 1.5 degrees Celsius and 2°C will be exceeded during the 21st century unless deep reductions in carbon dioxide (CO_2) and other greenhouse gas (GHG) emissions occur in the coming decades, states the latest report by the Intergovernmental Panel on Climate Change (IPCC).

Member governments of the IPCC adopted the Summary for Policymakers (SPM) of the *Climate Change 2021: The Physical Science Basis* report and approved the underlying assessment report on 6 August at its 54th Session, held virtually for two weeks. The report, released on 9 August, is IPCC Working Group I's contribution to the IPCC's 6th Assessment Report, expected to be out in 2022. The IPCC convened the approval session of the SPM virtually for the first time due to the ongoing COVID-19 pandemic.

The SPM consists of four sections: (i) The Current State of the Climate; (ii) Possible Climate Futures; (iii) Climate Information for Risk Assessment and Regional Adaptation; and (iv) Limiting Future Climate Change.

The report conveys a number of key messages in the form of headline statements under each of the four sections. (Headline statements comprise conclusions of the technical and scientific assessment undertaken and are primarily aimed for media use and the public, but are regarded by many governments as sensitive.)

The SPM highlights that, 'It is unequivocal that human influence has warmed the atmosphere, ocean and land. Widespread and rapid changes in the atmosphere, ocean, cryosphere and biosphere have occurred.'

The SPM also highlights that 'each of the last four decades has been successively warmer than any decade that preceded it since 1850. Global surface temperature in the first two decades of the 21st century (2001-2020) was 0.99°C higher than 1850-1900. Global surface temperature was 1.09°C higher in 2011-2020 than 1850-1900, with larger increases over land than over the ocean'.

The SPM states that 'global surface temperature has increased faster since 1970 than in any other 50-year period over at least the last 2000 years. Temperatures during the most recent decade (2011-2020) exceed those of the most recent multi-century warm period, around 6500 years ago'. Further, 'global mean sea level has risen faster since 1900 than over any preceding century in at least the last 3000 years'.

The report also states, 'Past GHG emissions since 1750 have committed the global ocean to future warming.'

The SPM states that 'hot extremes (including heatwaves) have become more frequent and more intense across most land regions since the 1950s'; 'cold extremes (including cold waves) have become less frequent and less severe'; and 'the frequency and intensity of heavy precipitation events have increased, as have droughts.'

The report reveals further that the global proportion of major (Category 3-5) tropical cyclone occurrence has likely increased over the last four decades and 'event attribution studies and physical understanding indicate that human-induced climate change increases heavy precipitation associated with tropical cyclones but data limitations inhibit clear detection of past trends on the global scale'.

With respect to possible climate futures, the report assesses the climate response to five illustrative scenarios. 'They start in 2015, and include scenarios with high and very high GHG emissions and CO_2 emissions that roughly double from current levels by 2100 and 2050, respectively, scenarios with intermediate GHG emissions and CO_2 emissions remaining around current levels until the middle of the century, and scenarios with very low and low GHG emissions and CO_2 emissions declining to net zero around or after 2050, followed by varying levels of net negative CO_2 emissions.'

'Compared to 1850-1900, global surface temperature averaged over 2081-2100 is very likely to be higher by 1.0°C to 1.8°C under the very low GHG emissions scenario considered, by 2.1°C to 3.5°C in the intermediate scenario and by 3.3°C to 5.7°C under the very high GHG emissions scenario,' states the SPM.

With respect to global warming of 2°C, the SPM states that it would 'extremely likely be exceeded in the intermediate scenario'.

'Under the very low and low GHG emissions scenarios, global warming of 2°C is extremely unlikely to be exceeded, or unlikely to be exceeded. Crossing the 2°C global warming level in the mid-term period (2041-2060) is very likely to occur under the very high GHG emissions scenario, likely to occur under the high GHG emissions scenario, and more likely than not to occur in the intermediate GHG emissions scenario,' the SPM reads.

The SPM also states that 'many changes in the climate system become larger in direct relation to increasing global warming. They include increases in the frequency and intensity of hot extremes, marine heatwaves, and heavy precipitation, agricultural and ecological droughts in some regions, and proportion of intense tropical cyclones, as well as reductions in Arctic sea ice, snow cover and permafrost'.

The SPM adds that:

- 'the land surface will continue to warm more than the ocean surface';
- 'with every additional increment of global warming, changes in extremes continue to become larger';
- 'there will be an increasing occurrence of some extreme events … with additional global warming, even at 1.5°C of global warming';
- 'the Arctic is projected to experience the highest increase in the temperature of the coldest days, at about 3 times the rate of global warming … and is likely to be practically sea ice free in September at least once before 2050';
- 'heavy precipitation events will intensify and become more frequent in most regions with additional global warming';
- 'the proportion of intense tropical cyclones (categories 4-5) and peak wind speeds of the most intense tropical cyclones are projected to increase at the global scale with increasing global warming';
- 'the global water cycle will continue to intensify as global temperatures rise, with precipitation and surface water flows projected to become more variable over most land regions within seasons and from year to year';
- 'a warmer climate will intensify very wet and very dry weather and climate events and seasons, with implications for flooding or drought'; and
- 'monsoon precipitation is projected to increase in the mid- to long term at global scale, particularly over South and Southeast Asia, East Asia and West Africa apart from the far west Sahel.'

The proportion of intense tropical cyclones is projected to increase with global warming.

In relation to sea level rise, the SPM states, 'Over the next 2000 years, global mean sea level will rise by about 2-3 m if warming is limited to 1.5°C; 2-6 m if limited to 2°C; and 19-22 m with 5°C of warming, and it will continue to rise over subsequent millennia.'

With further global warming, every region is projected to increasingly experience concurrent and multiple changes in climatic impact-drivers (CIDs). (Examples of CIDs include heat and cold; wet and dry; wind; snow and ice; air pollution; and coastal drivers such as relative sea level, coastal flood, coastal erosion, marine heatwave and ocean acidity.)

Changes in several CIDs would be more widespread at 2°C compared with 1.5°C global warming, and even more widespread and/or pronounced for higher warming levels, the SPM states.

Many regions are projected to experience an increase in the probability of compound events with higher global warming. In particular, concurrent heatwaves and droughts are likely to become more frequent.

Concurrent extremes at multiple locations become more frequent, including in crop-producing areas, at 2°C and above compared with 1.5°C global warming, states the SPM.

Under the section on limiting future emissions, the SPM states, 'From a physical science perspective, limiting human-induced global warming to a specific level requires limiting cumulative CO_2 emissions, reaching at least net zero CO_2 emissions, along with strong reductions in other greenhouse gas emissions. Strong, rapid and sustained reductions in CH_4 (methane) emissions would also limit the warming effect resulting from declining aerosol pollution and would improve air quality.'

The report reaffirms that there is a 'near-linear relationship between cumulative anthropogenic CO_2 emissions and the global warming they cause'.

'Each 1000 $GtCO_2$ of cumulative CO_2 emissions is assessed to likely cause a 0.27°C to 0.63°C increase in global surface temperature with a best estimate of 0.45°C. This quantity is referred to as the transient climate response to cumulative CO_2 emissions (TCRE).'

'This relationship implies that reaching net zero anthropogenic CO_2 emissions is a requirement to stabilise human-induced global temperature increase at any level, but that limiting global temperature increase to a specific level would imply limiting cumulative CO_2 emissions to within a carbon budget.'

('Net zero' is defined in the SPM as a 'condition in which anthropogenic carbon dioxide (CO_2) emissions are balanced by anthropogenic CO_2 removals over a specified period', and refers to emissions at the global level.)

('Carbon budget' is defined as 'the maximum amount of cumulative net global anthropogenic CO_2 emissions that would result in limiting global warming to a given level with a given probability, taking into account the effect of other anthropogenic climate forcers. This is referred to as the total carbon budget when expressed starting from the pre-industrial period, and as the remaining carbon budget when expressed from a recent specified date. Historical cumulative CO_2 emissions determine to a large degree warming to date, while future emissions cause future additional warming. The remaining carbon budget indicates how much CO_2 could still be emitted while keeping warming below a specific temperature level.')

The SPM also states, 'Over the period 1850-2019, a total of 2390 $GtCO_2$ of anthropogenic CO_2 was emitted. Remaining carbon budgets have been estimated for several global temperature limits and various levels of probability, based on the estimated value of TCRE and its uncertainty, estimates of historical warming, variations in projected warming from non-CO_2 emissions, climate system feedbacks such as emissions from thawing permafrost, and the global surface temperature change after global anthropogenic CO_2 emissions reach net zero.'

The report adds, 'Anthropogenic CO_2 removal (CDR) leading to global net negative emissions would lower the atmospheric CO_2 concentration and reverse surface ocean acidification'. 'If global net negative CO_2 emissions were to be achieved and be sustained, the global CO_2-induced surface temperature increase would be gradually reversed but other climate changes would continue in their current direction for decades to millennia. For instance, it would take several centuries to millennia for global mean sea level to reverse course even under large net negative CO_2 emissions.'

Some of the other key messages from the SPM include:

- The scale of recent changes across the climate system as a whole and the present state of many aspects of the climate system are unprecedented over many centuries to many thousands of years.
- Human-induced climate change is already affecting many weather and climate extremes in every region across the globe. Evidence of observed changes in extremes such as heatwaves, heavy precipitation, droughts and tropical cyclones, and, in particular, their attribution to human influence, has strengthened since the IPCC's 5th Assessment Report (AR5).
- Improved knowledge of climate processes, paleoclimate evidence and the response of the climate system to increasing radiative forcing gives a best estimate of equilibrium climate sensitivity of 3°C with a narrower range compared with AR5.
- Continued global warming is projected to further intensify the global water cycle, including its variability, global monsoon precipitation and the severity of wet and dry events.
- Under scenarios with increasing CO_2 emissions, the ocean and land carbon sinks are projected to be less effective at slowing the accumulation of CO_2 in the atmosphere.
- Many changes due to past and future greenhouse gas emissions are irreversible for centuries to millennia, especially changes in the ocean, ice sheets and global sea level.
- Natural drivers and internal variability will modulate human-caused changes, especially at regional scales and in the near term, with little effect on centennial global warming. These modulations are important to consider in planning for the full range of possible changes.
- Low-likelihood outcomes, such as ice sheet collapse, abrupt ocean circulation changes, some compound extreme events and warming substantially larger than the assessed very likely range of future warming cannot be ruled out and are part of risk assessment.
- Scenarios with low or very low GHG emissions lead within years to discernible effects on GHG and aerosol concentrations, and air quality, relative to high and very high GHG emissions scenarios. Under these contrasting scenarios, discernible differences in trends of global surface temperature would begin to emerge from natural variability within around 20 years, and over longer time periods for many other climatic impact-drivers. ◆

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The IPCC report: A clear call for immediate action

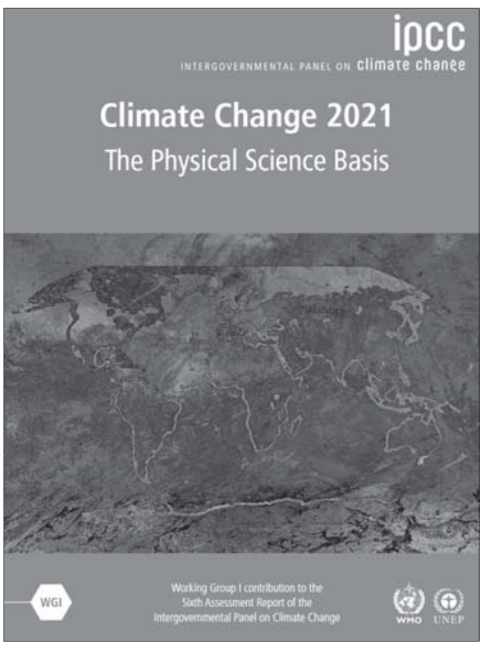
The IPCC report is an important wake-up call to the world to not get taken in by the claim that net-zero declarations of developed countries represent 'ambition' in climate action. The real question for countries is how much they plan to emit cumulatively from now until they reach net zero and whether this is in keeping with their fair share of the carbon budget.

Tejal Kanitkar and T Jayaraman

THE recently released report of the Intergovernmental Panel on Climate Change (IPCC), titled *Climate Change 2021: The Physical Science Basis*, is undoubtedly an important advance in the assessment of the current state of the climate system, of how the world's climate got to the state it is in today, how the climate is likely to respond to greenhouse gas (GHG) emissions in the near- and long-term future, and what it would take to keep the world within the limits of safety.

The report underlines that the impacts of climate change are unequivocally of human origin. The world has already warmed by about 1.07 degrees Celsius as compared with pre-industrial times. To restrict the temperature increase to below 1.5°C or 2°C, which are the targets of the Paris Agreement, the world has very little carbon space left.

The report uses 'multiple lines of evidence' to assess more accurately than in previous reports, the effects of all GHGs from pre-industrial times to the present. The potential range of future impacts are assessed for illustrative emissions scenarios ranging from scenarios with assumptions of rapid and sustained emissions reductions to scenarios under which very little or indeed no emissions reduction takes place over this century.



The IPCC report.

Observed warming, its sources and implications

The report categorically states that the observed increases in the atmospheric concentration of 'well-mixed' GHGs [i.e., carbon dioxide (CO_2), methane and nitrous oxide] since 1750 have been caused by human activities. This increase in GHG concentrations has warmed the atmosphere, ocean and land, and widespread and rapid changes in the climate system have been observed.

Due to the increase in warming, extreme events (e.g., heatwaves, heavy precipitation, droughts, tropical cyclones) have become more frequent and intense. An important advance in the IPCC report is that it is now possible to attribute climate extremes to human influence much more confidently than in earlier assessment reports.

That CO_2 is the main determinant of global warming and has so far played a dominant role in increasing global temperatures, is now resoundingly clear. This was a fact that was evident for many years, despite repeated attempts to divert attention from CO_2 mainly arising from industrial processes and fossil fuel energy use, so far concentrated in developed countries, with of course the notable exception of China. While other GHGs do play a role, meaningful and adequate climate action requires strategies targeted at reducing CO_2 emissions.

Mitigating air pollution and carbon emissions reduction

This perspective on the role of different sources of warming comes from the report's assessment of new evidence on the overall effect of a range of different climate forcers from the pre-industrial period (1850-1900) till the most recent decade (2010-19). Warming driven predominantly by CO_2 emissions, together with methane and nitrous oxide, is actually partially masked by aerosol cooling, the latter mainly from sulphur dioxide and organic carbon. From pre-industrial times till the most recent decade, aerosol cooling has been almost equivalent to warming from methane and nitrous oxides, all of which are 'short-lived climate forcers' (so called due to their short-lived presence in the atmosphere, unlike with CO_2).

Significantly, the study of the relative significance of aerosols indicates that while climate change and air pollution may have common elements, separate strategies and interventions are required to tackle them. It has been argued of late that getting rid of coal at the earliest would be an effective way to address both air pollution and climate change. The IPCC report makes clear that this is an incorrect assumption if the aim is the rapid reduction of air pollution, which is an immediate health hazard. The report notes that strategies targeted primarily at carbon dioxide reduction would not automatically achieve the air quality levels recommended by the World Health Organization in many heavily polluted regions of the world, even in scenarios where CO_2 emissions decline very rapidly. Apart from hopefully restraining the more alarmist statements in the media on getting rid of coal, these results should also dampen ill-informed expectations that the simultaneous rapid reduction of air pollution and CO_2 emissions is somehow a cost-saving exercise that would benefit developing countries.

Growing gap between climate science and climate policy

But the true value of the report to the fate of humanity depends very much on the willingness of the political leadership of the Global North to read the message as it should be done and not twist it to their own partisan ends.

One may argue that this is not a novel situation and that this has indeed been the true story of the tremendous inaction on climate that has increasingly characterised the approach of the rich nations of the world while the climate crisis has been steadily intensifying. Successive assessment reports of the IPCC, issued every five years in four volumes, have undoubtedly spurred fresh global policy initiatives, especially in the pre-eminent multilateral forum for global climate action, the United Nations Framework Convention on Climate Change (UNFCCC). This is a message that is frequently heard in the general hype of the climate commentariat that accompanies every new report of the IPCC. But a more critical view would also argue that, for the last two decades out of the three since the UNFCCC's entry into force, these initiatives have been increasingly about forcing the Global South into bearing the burden of meeting the global warming challenge. Equally, they have been less and less about concerted and determined action by the Global North to meet their responsibilities and commitments, inaction that has sharply reduced the South's options even for poverty eradication, let alone overall development.

This dismal record clearly began with the publication of the IPCC's Fourth Assessment Report (AR4) – which unambiguously pronounced that global warming was anthropogenic in origin and that this warming was unequivocal – that heralded a shift in policy at the 13th Conference of the Parties (COP 13) to the UNFCCC, the annual climate summit held at Bali in 2007. Perversely though, Bali turned its back on the unambiguous statement that developed countries ought to take the lead in mitigating GHG emissions with legally binding commitments embodied in the Kyoto Protocol, and heralded the consistent recalcitrance of the developed countries in undertaking such commitments. Led by the United States, they have since evaded truly meaningful action, until assured that China, India and indeed all developing countries would make equally onerous mitigation commitments, contra the flexibility provided by the climate convention itself.

The Fifth Assessment Report (AR5) reinforced the messages of AR4 and provided an extraordinarily simple metric, namely global cumulative emissions and their linear relation to global temperature rise, for assessing the boundaries for humanity's safety. Based on this relation, the AR5 indicated that humanity had to live within a global carbon budget, whose limit, subject to uncertainties, was determined by the temperature target. The Paris Agreement, signed at COP 21 in 2015, was clearly profoundly influenced by this particular result – but relentlessly chose to turn its back on this result in essence.

On the one hand, the AR5 paved the way, for the first time, for turning away from diffuse targets of atmospheric GHG concentrations towards specific temperature targets. The Paris Agreement thus set two targets – to limit temperature increase from pre-industrial levels to well below 2°C, and further to try and restrict it to 1.5°C. But the Agreement studiously avoided any talk of limiting global cumulative emissions to a definite global carbon budget, and its obvious corollary of distributing this global budget among all Parties on the basis of equity and the principle of common but differentiated responsibilities. Instead, it allowed all Parties, including the developed countries, to undertake commitments of their choosing, the so-called nationally determined contributions (NDCs). The adequacy of such commitments in relation to the temperature targets was left to their being progressively increased in the future.

However, to allow themselves considerable flexibility in future emissions, the developed countries argued instead for voluntary declarations of a peaking year for emissions, together with a global goal of reaching net-zero emissions by the second half of the century. It is an elementary mathematical fact that these two restrictions are not sufficient to limit cumulative emissions, and hence both may be met even while temperatures are set to definitely cross the 1.5°C or the 'well below' 2°C targets set by the Paris accord, especially when read with the proposed NDCs, whose inadequacy was apparent even before the accord was signed.

The gap between climate policy

and science was indeed worsened when the IPCC undertook the preparation and publication of a Special Report on Global Warming of 1.5°C, issued in 2018. While the Special Report undoubtedly made the case, perhaps a little ambiguously, for the desirability of the 1.5°C target as opposed to 2°C, the case for its feasibility was hardly as clear. Apart from generalities on the profound, transformative changes required to realise the lower target, the Special Report had little to say on the socio-economic and policy constraints on attaining this goal. Subsequently the Global North has launched a vociferous campaign in support of this goal, diluting the carefully crafted ambiguity of the Paris Agreement and supported by an unwary coalition of small island states and least-developed countries that have paid little attention to the rapidly diminishing global carbon budget that is pushing the target out of reach.


The IPCC report emphatically points to the linear relationship between cumulative emissions and rise in global surface temperature.

Carbon budgets and the myth of net zero exposed

The latest IPCC report on the physical science, which is the first of the four volumes that will make up the AR6, emphatically points once again to the linear relationship between cumulative emissions and rise in global surface temperature.

From 1850 till 2019, notes the report, approximately 2,390 gigatonnes (1 gigatonne is scientific terminology for 1 billion tonnes) of carbon dioxide ($GtCO_2$) were emitted, and this was responsible, along with lesser contributions from other GHGs, for an increase in global surface temperatures of about 1.07°C (likely range of 0.8-1.3°C) compared with pre-industrial times.

The report also provides detailed estimates of carbon budgets, with different probabilities for varying temperature targets. For instance, for a 50% probability of limiting temperature rise to below 1.5°C, the total carbon budget available to the world (from pre-industrial times till net-zero emissions are achieved) is 2,890 $GtCO_2$.

Given the cumulative emissions to date, this implies that more than 80% of the carbon budget for the 1.5°C target is already exhausted and that the world has only 500 $GtCO_2$ of emissions left at its disposal. Global emissions databases tell us that developed countries have been responsible for over 60% of these past emissions and China for about 13%. India's contribution to these cumulative emissions to date is only 5%. There is greater headroom with a higher temperature target; for a 50% probability of keeping temperature rise to below 2°C, the remaining carbon budget is 1,350 $GtCO_2$.

These estimates in the report provide a much-needed perspective on the pressure for net-zero emissions declarations, typically setting 2050 as the target date, that currently threatens to overwhelm the entire discussion on climate change mitigation. In the narrative assiduously peddled by the Global North and their developing-country apologists, unwitting or otherwise, declaration of a net-zero emissions target is portrayed as an almost heroic climate action, while any argument questioning such targets has been sought to be rendered suspect.

But the reality is starkly different. For a 50% chance of limiting temperature rise to below 1.5°C, the world will have to begin reducing emissions immediately and reach net-zero emissions by 2039. For a better likelihood, for instance 67%, of limiting temperature rise to below 1.5°C, the world has to reach net zero even earlier, by 2035.

While most developed countries are still only discussing reaching net-zero emissions only by 2050, few have actually declared this in a manner that is verifiable by multilateral agreement. But even those who have are targeting net zero so far into the future that it ensures that the 1.5°C target will not be met. Even if one assumes that these countries will begin immediate emissions reductions and at a linear rate to meet their declared net-zero targets, they will still end up emitting at least 270 $GtCO_2$ by 2050. This is more than 50% of the remaining carbon budget for the 1.5°C target. Thus the developed world, with only about 18% of the global population, is likely to usurp fully half the space available for remaining cumulative emissions, while the remaining 82%

An oilfield in the US state of Texas. The world needs rapid reductions in emissions by developed countries accompanied by the phasing out of use of oil and other fossil fuels.

of the world, having emitted very little in the past, will be left with little in the future to meaningfully satisfy their energy requirements.

The IPCC report is therefore an important wake-up call to the world for a very different reason than popular narratives would have us believe. It is a call to not get taken in by the claim that net-zero declarations of developed countries represent 'ambition' in climate action. The message of the report is that the real question to be asked of countries is how much they plan to emit cumulatively from now till they reach net zero and whether this is in keeping with their fair share of the carbon budget. Progress towards achieving meaningful climate action requires that the world start asking the right questions.

Crossing the 1.5°C threshold in all scenarios

The IPCC report also assesses climate responses to five emissions scenarios, noting that these scenarios are only illustrative – a result of model simulations and not representing real emissions trajectories which may be influenced by multiple factors. These five emissions scenarios represent five different levels of radiative warming, from the very low to the very high.

A stark finding of the report is that the 1.5°C target is likely to be exceeded at least in the near term, under all five scenarios considered. Even in the lowest emissions scenario, the likely range of temperature increase in the near term (2021-40) is about 1.5°C, increasing to about 1.6°C in the mid-term (2041-60), and only declining to 1.4°C in the long term (2081-2100). A very significant assumption of this scenario is that negative emissions, meaning the drawing out of carbon dioxide from the atmosphere by artificial means, will be possible on a significant scale beyond 2050. But the large-scale deployment of a range of such carbon dioxide removal technologies, most of which are as yet mere speculation, according to the IPCC report itself is likely to also have a number of negative side-effects.

Despite the vociferous campaign for limiting temperature rise to 1.5°C, there is clearly little hope that this expectation can be met. Perhaps, in reaction to this dismal state of affairs, some scientists have turned to mapping out several possible scenarios of very low likelihood but potentially very high impact. These scenarios find some space in the IPCC report, though freezing oneself with fear of an apocalyptic future seems less than useful, when the real issue is the lack of political will for climate action in the present.

In sum, there is no doubt that rapid and sustained reductions in global emissions are needed. That rich countries are responsible for a significant proportion of these emissions is a statement of fact. Their current and proposed climate actions are highly inadequate and will likely result in temperature rise that is higher than the Paris Agreement targets. Even with disproportionately greater action from developing countries such as India, as is already forthcoming, it is unlikely that temperature rise will remain below 1.5°C unless the richest countries and highest emitters do far more than what they are currently doing or are committing to do in the future.

Declarations of 'climate emergency' or rhetorical references to a 'climate crisis' mean nothing unless such statements are backed by necessary action. The IPCC's assessment shows that the world needs rapid reductions in emissions by developed countries accompanied by the phasing out of all fossil fuel use (coal, oil and natural gas), large-scale investment in technologies and their deployment, and the mobilisation of adequate climate finance to support climate action – both adaptation and mitigation – in developing countries. ◆

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A decade to end the pandemic and save the climate

Tackling the climate crisis in the midst of a global pandemic requires a blend of optimism, pessimism and healthy scepticism, suggests *Yin Shao Loong*.

THE United Nations released the most significant global report on the physical science of climate change to date on 9 August.

Two hundred and thirty-four scientists and government representatives from 195 countries comprising the Intergovernmental Panel on Climate Change (IPCC) have told us how our world's climate responds to human actions.

Here is how it affects Southeast Asia and some measures we can take to manage the risks of global warming.

Climate change is no longer theory; we can see it and feel it. The past six years have been the hottest on record. Extreme weather events are happening with greater frequency around the world: droughts, heatwaves, wildfires, floods, super-storms.

The IPCC report reveals that due to climate change, Southeast Asia has already experienced hot extremes, less frequent but increased rainfall, fewer but more extreme tropical cyclones, and agricultural and ecological droughts. The region may not warm as much as the rest of the world, but warming will further increase rainfall, river flood levels and monsoon wetness, and impact coastlines due to sea-level rise.

For the world as a whole, warming has already set in motion up to half a metre's sea-level rise by 2100 and 2-3 metres over the next 2,000 years.

Ocean acidification will affect coastal and marine ecosystems and seafood supply.

We can also expect more compound extreme events, such as simultaneous heatwaves and droughts.

Tipping points, a critical threshold beyond which a climate system reorganises, often abruptly and/or irreversibly, could occur with Amazon deforestation, the Greenland ice sheet melting, and the North Atlantic circulation system.

The race is on to limit average global temperature increase to 1.5°C above pre-industrial levels. This demands 'strong, rapid, and sustained reductions' in planet-warming emissions of greenhouse gases (GHGs) – especially carbon dioxide – from burning fossil fuels, deforestation and other human activities.

The global goal is to reach net zero emissions as soon as possible in order to limit warming to 1.5°C. Current warming puts us at 1.1°C. We are likely to hit 1.5°C warming by the early 2030s.

However, existing pledges by governments will only deliver 2.4-2.9°C by 2100. Extreme rainfall intensifies by 7% for each additional 1°C.

The IPCC recently indicated that emissions would need to be cut by around 45% by 2030 compared with 2010.

Its new report sets out a carbon budget that would give us the best chance of stabilising at 1.5°C warming, but at current emissions we could exhaust this budget before 2028. Furthermore, most of this carbon budget would be consumed by richer industrialised nations.

We face a critical decade to take action amidst growing threats. We are the generation that will have to end a global pandemic while saving billions of people from the climate crisis.

Both of these battles will be fought on the basis of science and governments putting in place effective policies. We will also have to overcome inequitable impacts and disparities in access to resources.

Global solidarity is needed to ensure that tackling the climate crisis will not see a situation of every nation for itself.

Rich countries possess both the technologies and the means to support global solutions – think vaccines and renewable energy.

Many poor countries will suffer the worst consequences of both the pandemic and climate change, and are ill-equipped to adapt or recover – think of countries in central Africa or Southeast Asia suffering extreme weather and vaccine shortages.

Vaccine hoarding amidst the pandemic has provided a disappointing lesson in how countries with means will take care of themselves at the expense of others. Global solidarity is needed to ensure that tackling the climate crisis will not see a situation of every nation for itself.

The most prudent course would be to embrace both pessimism and optimism, and work towards both alternatives with healthy scepticism towards false solutions.

Optimism means supporting global efforts to reduce emissions both here and in those countries that have historically polluted the atmosphere most. These can be 'green new deals' that generate economic opportunities out of a transition to climate-friendly industries.

However, unless technology and finance flow to developing countries, green new deals will be a policy privilege of developed countries. If poorer nations do not have access to these resources to clean their development pathway, then, just like in the case of vaccine distribution amid the pandemic, rich nations will not be safe from climate change.

Pessimism involves preparing adaptation measures to protect the most vulnerable at home in the event that climate targets are missed, as well as from irreversible changes set in motion such as sea-level rise. This means building resilience in communities at risk of extreme weather events such as floods and drought, sea-level rise and declining agricultural fertility.

Scepticism means avoiding false solutions, such as efforts by developed countries to pursue 'net zero' by buying up carbon sinks in developing countries. These delay rapid reductions in developed-country emissions with schemes that risk fuelling land inequality in poorer countries as richer players buy up tracts of nature and trade emissions. Popular with large corporations and rich countries, false net zero offers a new way to 'pay to pollute' instead of genuinely greening economies.

A 2017 study found that just 100 companies are responsible for 71% of global emissions. There will be no climate solution that does not involve a fundamental transformation of industry.

In this change lies opportunity. Getting this decade right involves a deep green transformation of work, government and society, and equitable sharing of technology, resources and atmospheric space. ◆

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A hope fulfilled

Malaysia's journey to curing hepatitis C

By overriding a pharmaceutical giant's monopoly and collaborating in the development of a breakthrough new treatment, Malaysia is on its way to ending the deadly scourge of hepatitis C.

Karina Yong

In 2017, Malaysia issued a compulsory licence to import the generic version of the hepatitis C medicine sofosbuvir, enabling it to provide more affordable treatment.

HUANG[1] gazes into the distance, joy and contentment gently beaming from his face. After 12 years of waiting, he has finally been cured of hepatitis C. Until recently, the prognosis of hepatitis C virus (HCV) was a death sentence to many. Untreated, HCV can lead to liver disease, cirrhosis, cancer and, finally, death.

HCV in Malaysia

Malaysia's journey towards achieving the World Health Organization (WHO)'s 2030 elimination targets for HCV is nothing short of a dream come true. In 2017, it became the first country to issue a compulsory licence for HCV treatment in order that more affordable generic medicines could be brought in to treat her people. Malaysia achieved another milestone when on 4 June 2021, she became the first developing country to register a new treatment for HCV locally, achieved through a collaboration driven by 'values, love, trust and justice' rather than profits.

Malaysia has more than 400,000 people suffering from HCV. The disease is a global public health concern. Worldwide HCV affects about 58 million people, with only 13% of that population receiving treatment to date. HCV has a death toll of 300,000 yearly.[2] There are five main strains of the hepatitis virus (A to E). Hepatitis B and C can lead to death.

HCV is a blood-borne virus and can be caught through exposure to contaminated blood such as through the sharing of needles and other injection equipment; the reuse or inadequate sterilisation of medical equipment; transfusion of unscreened blood and blood products; and sexual practices that can lead to exposure to blood.[3] HCV affects the liver primarily, causing inflammation. In the long run, if the process of inflammation is not stopped, 70% of those infected will end up developing chronic hepatitis C, with 15-20% of them then developing liver disease, cirrhosis and cancer.[4] At present, there is no replacement therapy for livers nor any machines which can replace the functions of a liver, making the early treatment of HCV crucial. Although HCV is easily diagnosed using a rapid diagnostic finger prick test (RDT), it is known as a 'silent killer' as many patients are asymptomatic until later stages, when symptoms arise from liver damage.

Dr Muhammad Radzi Abu Hassan, the National Head of Gastroenterology and Hepatology in the Malaysian Ministry of Health (MOH) who has been a clinician for 30 years, has recounted how the diagnosis of HCV was a death sentence in the past. Without treatment, doctors watched patients die. In the late 1980s or the 1990s, interferon-based treatment regimens were introduced. These treatments are, however, complex to administer. One requires a weekly interferon injection with daily ribavirin tablets for a duration of about six months. Toxic side-effects include fatigue, depression, alopecia, the development of thyroid disease and even suicidal thoughts. Cure rates are also low, averaging around 40-45%.[5] Mr Huang had been put on the interferon regime but was told after five months that he had not responded positively to the treatment and the disease was still in his body. It was a long 12-year wait before he was healed with ravidasvir, a direct acting antiviral (DAA) in the development of which Malaysia played a large part.

The DAA journey

DAAs marked a breakthrough in the treatment of HCV. Making their debut in 2015, these are tablet treatments that can cure patients in as little as eight weeks. These new treatments have short durations, minimal side-effects and efficacy approaching 90-100%.[6] DAAs eliminate HCV from the body by preventing the multiplication of the virus.

Many of the new treatment regimens are, however, dependent on a base drug known as sofosbuvir, which is produced by the multinational pharmaceutical company Gilead Sciences and patented in Malaysia. Patents grant Gilead a monopoly over the marketing of sofosbuvir and Gilead's original asking price was $84,000 for 12 weeks of treatment.[7] This resulted in widespread backlash from governments, patients and international health organisations. In Malaysia, Gilead was granted patents for the sofosbuvir compounds family and a prodrug, leading to a monopoly of the market until 2028. Due to the high cost, the government was unable to include the new DAAs in the public health system and could only treat 640 persons a year for HCV.[8]

Patents over pharmaceutical (and other) products were introduced into Malaysian law when the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) came into effect in Malaysia in January 1995. This agreement sets international minimum standards for the regulation of intellectual property for its members, and patents must be given for both products and processes for a minimum term of 20 years. The TRIPS Agreement has become a big setback to the growth of a vibrant pharmaceutical manufacturing sector and it has also created a lot of the barriers to access to medicines.

Nevertheless, it does still leave considerable policy space for national laws to determine the exact level of intellectual property protection. Intellectual property rights (IPRs) are private rights and cannot trump matters of public importance. For this reason, the WTO Ministerial Conference in 2001 adopted the Doha Declaration which recognises the effect that patents can have on pharmaceutical prices and states as follows: 'We agree that the TRIPS Agreement does not and should not prevent members from taking measures to protect public health. Accordingly, while reiterating our commitment to the TRIPS Agreement, we affirm that the Agreement can and should be interpreted and implemented in a manner supportive of WTO members' right to protect public health and, in particular, to promote access to medicines for all.' It further recognises that patent rights can be overriden by the issuance of what are known as compulsory licences where there is a national emergency or extreme urgency. Despite the above, however, the battle for the recognition of the right to health and affordable and accessible medicines has been an uphill one.

Malaysia has not incorporated in her laws the full measure of flexibilities allowed by the TRIPS Agreement. For example, Malaysia granted patents on sofosbuvir when the same were rejected in Egypt as Malaysia's patenting standards on novelty and inventiveness are less stringent than Egypt's. The Malaysian law on patents and the patent examination procedures at the Malaysian Intellectual Property Office (MyIPO) can be tightened to ensure that they do not undermine public health. The COVID-19 pandemic has underscored the need for robust public health systems and independent local pharmaceutical industries. Local production capacity and expertise must be developed to meet current and future needs.[9]

As Chee Yoke Ling, executive director of the Third World Network (TWN), points out: '[T]he journey for many policy and [civil society] organisations locally and globally since 2001, is to make sure our national intellectual property laws serve public interest, public health, independent development of our local industry so that we do not have to depend on imports from the West...'

Data and know-how distinguish the developed from the developing countries and inappropriately designed intellectual property right regimes serve to widen the gap. When it comes to IPRs, one size does not fit all. Differentiation of terms based on the stage of development that each country finds itself in is crucial, especially in light of growing evidence that stronger IPR regimes do not in fact encourage an increase in innovation but rather the opposite.[10]

Faced with the high prices of sofosbuvir against a commitment to heal her people and eradicate HCV by 2030, Malaysia issued a government use licence (GUL) in September 2017. A GUL is a form of compulsory licence issued by the government under Section 84 of the Malaysian Patents Act.[11] The decision to issue the compulsory licence was made after more than two years of unsuccessful negotiations with Gilead for Malaysia's inclusion in the company's voluntary licensing arrangements[12] and also to reach a price that was affordable to the Malaysian MOH for scaling up treatment. Prior to the negotiations, the Malaysian government had carried out research and analysis on treatment options using generic medicines, prices of generic medicines in other countries where there were no intellectual property barriers, the intellectual property situation in Malaysia and the government's responsibility to provide treatment and healthcare.

MOH led the initiative for the issuance of a government use compulsory licence. It worked with officials in the Ministry of Domestic Trade and MyIPO as well as the Ministry of International Trade and

Investment. MOH officials also received technical inputs from domestic experts. Finally, it provided all the data and analysis to support the use of a GUL and presented a working paper to the Malaysian Cabinet, which approved the request of MOH in early August 2017.

In the following month, Malaysia publicly confirmed the issuance of the GUL for the importation of generic sofosbuvir from Pharco Pharmaceuticals, an Egyptian manufacturer. Meanwhile, having caught wind of the intended issuance of the GUL, Gilead announced through Twitter in late August that Malaysia, Thailand, Ukraine and Belarus would be included in the geographical scope of its voluntary licence with Indian manufacturers. The Malaysian government examined the implications of each option and decided to proceed with the government use licence. Gilead's recommended price for governments for sofosbuvir is $750 for 12 weeks of supply. Under the GUL, the supply of generic sofosbuvir (400 mg tablet) had a capped price of around $40 for a month of supply.[13]

Following the issuance of the GUL, Malaysia rolled out generic sofosbuvir/daclatasvir treatment. In Malaysia, there is no patent on daclatasvir. The cost of the generic sofosbuvir/daclatasvir treatment is less than RM1,200 ($300) for a three-month course, allowing the government to provide free hepatitis C treatment to patients nationwide.

In 2017 then, there were both the GUL and Gilead's voluntary licence operating in Malaysia in terms of supply of DAAs. The options for Malaysia were as follows:

- Import of generic sofosbuvir from Egypt under the GUL (for public hospitals only);
- Import of generic daclatasvir (for both public and private facilities);
- Import of Gilead-licensed generics from voluntary licence holders in India where these companies register their products in Malaysia: sofosbuvir, sofosbuvir/daclatasvir, sofosbuvir/velpatasvir (for public and private facilities).


National Hepatitis Conference Malaysia @GastroAmpang1 on Twitter

Hepatitis C screening in Malaysia. The country is undertaking screening programmes for the disease to seek out previously undiagnosed patients.

Malaysia's step of issuing a GUL was a very bold one. Although it is expressly allowed by the TRIPS Agreement, developing countries very rarely issue compulsory licences for fear of repercussions from the West. This was only the second time Malaysia had issued a compulsory licence in spite of the fact that many drugs, for example, those for the treatment of cancer, are too expensive to be put on MOH's national essential medicines list. Malaysia's first compulsory licence was issued in 2003 for HIV treatment. The GUL for sofosbuvir was widely celebrated internationally amongst health officials, patient groups and civil society organisations.[14] In comparison, Gilead and its political allies responded with pressure in an attempt to obtain a reversal of the issuance of the GUL.[15]

Malaysia has now gone a step further in the HCV journey. On 4 June this year, it celebrated an incredible milestone. It became the first South country to register a new treatment for HCV, known as ravidasvir. More than that, the journey expanded along the way to embrace a full access and treatment strategy in a firm commitment to saving lives through eliminating HCV.

Newly manufactured by Pharco, ravidasvir is a pan-genotypic treatment. In 2017, Malaysia participated in clinical trials to test ravidasvir. Pharco had agreed to set the price of the combination treatment (using ravidasvir and generic sofosbuvir) at $300 per 12-week course upon registration. This would benefit not only the public but also the private sector. Before ravidasvir, a full course of treatment in the private sector cost around $70,000. More importantly, the success of the ravisdavir trial would mean affordable life-saving treatment for HCV patients around the world.

The Drugs for Neglected Diseases initiative (DNDi), an international non-profit organisation working to get treatment for neglected patients, had discovered ravidasvir while studying the DAA landscape. It found that Pharco had done a clinical trial using ravidasvir with very promising results. Following that discovery, DNDi, with the ministries of health of Malaysia and Thailand, conducted a clinical trial on the safety and efficacy of ravidasvir, known as STORM-C. In results published in April 2021 in *The Lancet Gastroenterology & Hepatology*, the combination showed cure rates of

97% and was well tolerated in a diverse adult population with chronic HCV infection, even by those infected with genotype 3 of the virus, which is particularly hard to treat. Further, there are no clinically significant interactions between ravidasvir and the antiretrovirals commonly used to treat HIV, making the new combination particularly useful to clinicians.[16] The collaboration was also supported in funding by the international medical humanitarian organisation Medecins Sans Frontieres.

Ravidasvir is thus the very first drug for HCV to be developed in the South with funding and clinical support from non-profit organisations, a private-public partnership. Pharco and DNDi then partnered with Malaysian drug manufacturer Pharmaniaga for the registration and supply of ravidasvir in Malaysia and South-East Asia.[17] Registered in June 2021, ravidasvir's launch was a moving celebration of hope, a testament of what humanity can achieve when lives are put before profits.

To that end, Malaysians can be proud that the country's National Pharmaceutical Regulatory Agency (NPRA) has grown over the years to become an internationally recognised regulatory agency. Since 1996, NPRA has been a WHO Collaborative Center for Regulatory Control of Pharmaceuticals, exercising the highest standards of drug regulation through its membership of the Pharmaceutical Inspection Cooperation Scheme (PIC/S), enforcing an internationally accepted level of Good Manufacturing Practice (GMP) on industry.

In applying for the marketing approval for ravidasvir, Pharmaniaga was required to submit to NPRA the registration dossier for the drug, a complex technical package of information which included data pertaining to ravidasvir (scientific, chemistry and laboratory data, clinical and non-clinical), the detailed manufacturing process of the active ingredient and the finished product, essentially data which was required to prove the safety and efficacy of the product, as well as the intended quality. The stand was taken to engage NPRA very early on in the programme through the pre-submission meeting (PSM) platform. The PSM procedure was put in place in January 2020, whereby NPRA provides regulatory advisory service during the developmental stage of the product.

Sharifah Fauziyah Syed Mohthar, Director of Regulatory Affairs at Pharmaniaga, reflects: 'When we were approached by Pharco and DNDi to join this as a public health focused partnership with an aim to produce an NCE [new chemical entity] at the cost of a generic … we thought that's an interesting model but the word I want to use is NOBLE. It has the aim of increasing accessibility to the masses and honestly it bodes very well for Pharmaniaga's mantra of having passion for the patients. Personally as a pharmacist, knowing that we are developing a new cure is very meaningful for my profession as a whole. If we could take this model further, we are all on board to ensure that accessibility of medicines is key for all of us … This is a very proud moment for the country and is also an important step for the country's progress towards regulatory maturity.'

The entry of ravidasvir into the HCV scene has provided much-needed competition to the other DAAs. Competition is essential to driving drug prices down.[18] Dr Sherine Helmy, the CEO of Pharco, shares: 'This new treatment will be a powerful tool in our arsenal to make the vision of a hepatitis C-free world a reality … This is why this new combination will be sold at an affordable price between $300-500 for a 12-week treatment course.'

Since March 2018, the Malaysian government has rolled out free treatment in 23 public hospitals. To date, even with the COVID-19 pandemic, more than 10,000 patients have been healed of HCV with the availability of ravidasvir.[19]

The ravidasvir-sofosbuvir combination is a game changer in the fight against HCV. It will now provide the world with an affordable option, especially for the millions still waiting for access to life-saving HCV treatments in low- and middle-income countries.

Jean-Michel Piedagnel, South East Asia Director for DNDi, points out: 'It is important to remember what is the main model for delivering new treatment. The main model is Big Pharma … DNDi is an international not-for-profit research organisation that develops drugs for diseases where the traditional players/market are not providing drugs, usually because there is no profit to be made. We step in usually in neglected tropical diseases. We have a collaborative model, partnership, not for profit, and we focus on patients and affordability.

'A lot of us in DNDi believe: ... what's the point of medical innovation if it doesn't translate into access for patients? We are addressing this question with our model. That's why in the last 16 years we have developed eight treatments and this is the ninth one … This one is what we call an NCE. And it is like the holy grail in medical research. The NCE is an entirely new medicine. That's what ravidasvir is. It is a very good drug, very effective one…

'I never expected that when we started this journey, our collaborative model would deliver something so impressive ... The registration of [ravidasvir] in Malaysia is a stepping stone. Malaysia has totally changed its policy in terms of treatment and access, designing specific programmes to reach at-risk groups, considering treatments in prison – it's a full-blown access strategy which started with a clinical trial. Today we can say that MOH has all the tools that it needs to bring free treatment into Malaysia. And even though we might have had a catalyst role at the beginning, I think this was only achievable through real collaboration across the board. For me, it's a real pleasure to see what we have been able to achieve in Malaysia in translating innovation to access for patients in Malaysia. And now we need to go beyond Malaysia, together with Egypt, and try to make sure this treatment is made available to as many people as possible.'

Treating HCV early presents cost savings for health systems too as early treatment will reduce cases of liver cancers and cirrhosis, resulting in enormous savings to the public health system in terms of treatment costs.

Finding the missing millions

Having secured treatment, Malaysia now has to find the missing millions who are infected with HCV but remain undiagnosed. Under-screening is a major issue as many are still not aware of the disease. 'Although hepatitis can be cured, there is a vicious circle that stands in the way of providing treatment to all in need: the disease is mostly a "silent killer", the diagnostic process is complex, so people go unfound, and DAAs are often too expensive,' said Dr Noor Hisham Abdullah, Director General of Health at MOH. 'Malaysia decided to act to break this vicious circle. We are actively screening to find "missing" patients, rolling out simpler diagnostic tests, and ensuring we have access to the best prices for treatments, including by conducting clinical research to identify additional affordable treatment options. [The registration of ravidasvir] is a milestone on Malaysia's long journey to achieve the World Health Organization goal of eliminating hepatitis C by 2030.'

In line with that vision, in 2019, in collaboration with DNDi and another not-for-profit organisation, Foundation for Innovative New Diagnostics (FIND), MOH launched a one-week nationwide HCV screening campaign in conjunction with World Hepatitis Day. RDTs were introduced for the first time in 49 hospitals and 38 health clinics across the country, targeting the general adult population. The campaign was aimed at providing public awareness of the disease and insight into the effectiveness of a population-based screening programme and also at identifying HCV-infected individuals and the associated factors for HCV infection in the country. The goal is to decentralise HCV screening using RDTs, following through by linking the HCV-seropositive individuals to confirmatory testing and treatment. Ideally the plan is to provide screening services to community-based outreach agencies and private health institutions in the second phase of the campaign.[20]

On being able to tell his patients today that there is a cure for them, Dr Radzi says: 'When I reflect back, it is like a magical journey to me. No doubt we have challenges, we've had lots of problems, issues, along the way, [but] this is worth the effort. It is so fulfilling and gratifying. We are going to walk through this journey together. Until the finishing line.'

South-South collaboration

On lessons learnt in the ravidasvir journey, DNDi's Piedagnel shared: 'We talk about decolonising the global health system, and I think this is typically touching on the issue that people in the Global South feel they have no value in bringing new treatments, and I totally disagree. But it takes a lot of leadership, a lot of political leadership as well as working together … we need to recognise that there is quality, there is potential to deliver treatments … Countries in the Global South need to come to terms that they have potential, especially high-middle-income countries like Malaysia, Thailand, Vietnam, those countries can make a difference. They need to work together – there is no other choice – in developing new treatments, new antibiotics, dengue treatments. I hope we see that more in the future and that what we have done with HCV will inspire people.'

This sentiment is echoed by Dr Noor Hisham: 'This is just the beginning; one opportunity leads to many other opportunities … Working together we can make the impossible possible. This will become a role model for other diseases as well, this is a very exciting integrated access strategy that will probably help us to end epidemics or diseases in this country.' He further urged top performers in Malaysian universities to take public health as one of their specialties, providing the country with her next generation of champions.

As the ones needing and receiving treatments directly, civil society also has an important role to play in the collaboration. 'We can educate ourselves and work with the government to put the right policies and laws in place, to recognise that if we do not have the industrial policies that allow us to build our own industrial capacity then we will not have that freedom to invest in public health … In 2003, when we did the first CL [compulsory licence] for HIV, the headlines said things like "breaking patents". Fast-forward to 2017, "CL gives hope". I think it is also important for the media to understand the science, the technical considerations and the law, that what we are doing is perfectly legal, is the right thing to do,' points out TWN's Chee.

What will it take, then, for Malaysia to grow in this journey? She will need to:

- forge collaborations with like-minded international organisations and other countries for joint areas of research;
- develop partnerships for setting agendas or participating more effectively in multilateral forums like WHO and the WTO;
- encourage investment from companies in the South to build expertise.

On the national front, there should be a consideration of, among other things, the national health budget, medicine expenditures and procurement policies, all relevant policies and legislation, the tax regime as well as access to finance in order to come up with a holistic plan for the development of the public health system and, within that, the growth of the local pharmaceutical industry. More specifically, the measures taken should include:

- establishing biotechnology and health funds to encourage the growth of the pharmaceutical sector and strengthen public research institutions;

- reversing the brain drain, hiring Malaysians who have gained the technical expertise overseas;
- tightening up intellectual property laws to incorporate the full measure of TRIPS flexibilities;
- implementing a government incentive scheme to encourage the growth of the pharmaceutical industry;
- establishing a long-term policy to purchase from local pharmaceutical manufacturers even if the products are a little more expensive, and implementing a pooled procurement strategy for the region.

The COVID-19 pandemic has taught us that a strong public health system and local manufacture of medicines are necessities and not options. We have now seen how insufficient investment in these areas can bring a country to its knees. The availability and accessibility of medicines is clearly more than just a medical issue.

For Dr Helmy, the man behind Pharco, his A-Z of the Egyptian story of lessons learnt is both inspirational as well as instructional for the pharmaceutical industries and public health systems of developing countries:

A: Affordability makes access

B: Believe in the cause

C: Create rules of the game

D: Direction and political will is the clue

E: Ecosystem formation

F: Funding till the snowball rolls

G: Government's support to research

H: Harmony between team members

I: Infection control

J: Join the right people together

K: Knowledge transfer

L: Logistics and economies of scale

M: Media for education and motivation

N: NGOs partnering

O: Organic growth

P: Proper planning prevents poor performance

Q: Quality, safe, affordable medicines

R: R&D is the way out

S: Strategic fit

T: Tour n' Cure is an alternative

U: United Nations (UN) umbrella

V: Values 'Love, Trust and Justice'

W: Will comes first

X: X-Pats collaboration

Y: Yield analysis and data management

Z: Zig-zag pathway, go under, go through but never stop ◆

Karina Yong is a Senior Researcher with the Third World Network. She was a practising lawyer in the areas of administrative, constitutional, defamation and environmental law in Malaysia. Her current work is on trade, health and intellectual property rights.

Endnotes

1 Huang Siang Ping, a farmer in Penang, Malaysia. Watch his story here: https://www.youtube.com/watch?v=vG_IH7OYJsE

2 https://dndi.org/press-releases/2021/first-hepatitis-c-treatment-developed-through-south-south-cooperation-registered-in-malaysia/

3 https://www.who.int/malaysia/news/detail/28-07-2020-hepatitis-c-in-malaysia-from-crisis-to-hope

4 https://www.who.int/news-room/fact-sheets/detail/hepatitis-c

5 https://www.moh.gov.my/moh/resources/Penerbitan/Laporan/Umum/CaseStudy-HEPATITIS.pdf

6 Ibid.

7 In comparison, it is estimated that the drug can be produced at $171-360 for 12 weeks of treatment.

8 https://www.mac.org.my/v3/wp-content/uploads/2017/07/HCV_Report_A4_FA_23052017-web.pdf

9 https://unctad.org/news/covid-19-heightens-need-pharmaceutical-production-poor-countries

10 https://www.econstor.eu/bitstream/10419/89516/1/771928769.pdf

11 Section 84(1) of the Patents Act titled 'Rights of Government' provides an important remedy for the government where a patent owner or his licensee behaves in an anti-competitive manner, or 'where there is national emergency or where the public interest, in particular, national security, nutrition, health or the development of other vital sectors of the national economy as determined by the Government, so requires'. In any of these circumstances, the Minister of Domestic Trade, Cooperatives and Consumerism can, without the agreement of the patent owner, designate a government agency or a third party to work the patent. As allowed in the TRIPS Agreement for 'public non-commercial use', Malaysia's government use provision does not require the government to try and negotiate with the patent owner for a voluntary licence before issuing the 'government use' order. The patent owner shall be notified of the Minister's decision 'as soon as is reasonably practicable'. Section 84(3) provides for 'the payment to the owner of the patent of an adequate remuneration'. The Rights of Government provision is limited to predominantly supplying the market in Malaysia.

12 The Gilead voluntary licence excluded many middle-income countries including Malaysia, Thailand, China, Brazil and South Africa.

13 https://apps.who.int/iris/bitstream/handle/10665/260445/WHO-CDS-HIV-18.4-eng.pdf?sequence=1

14 https://www.thestar.com.my/news/nation/2018/01/19/malaysia-awarded-for-gutsy-move-govt-invokes-compulsory-licensing-for-affordable-hepatitis-c-medicin

15 https://msfaccess.org/malaysias-compulsory-license-sofosbuvir-positive-step-public-health-and-innovation

16 https://dndi.org/press-releases/2021/first-hepatitis-c-treatment-developed-through-south-south-cooperation-registered-in-malaysia/

17 Ibid.

18 See the Malaysia Competition Commission (MyCC) Market Review on Pharmaceutical Sector under Competition Act 2010, 8 January 2018. Available at https://www.mycc.gov.my/market-review/final-report-market-review-on-pharmaceutical-sector-under-competition-act-2010

19 https://www.bernama.com/bm/am/news.php?id=1971837#.YMddWNYNeaY.twitter

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Brazil's Supreme Court delivers groundbreaking decision in favour of access to medicines

Brazil's Supreme Court recently handed down a decision to make a 25-year-old law permitting pharma companies to extend their monopolies on new drugs unconstitutional. It's an important victory for access to medicines, as *Felipe de Carvalho*, Medecins Sans Frontieres (MSF) Access Campaign Advocacy Advisor from Brazil, explains in an interview with the Campaign blog, reproduced below.

Access Campaign: First, congratulations! This has been a very long struggle – the pharmaceutical industry has been trying to block any revision of this law for many years, why is that?

Felipe de Carvalho: Yes, it's really a fantastic moment for all of us here who have been fighting for better access to medicines for people in Brazil. The pharmaceutical industry was getting rich off the back of this law. The law ensured that essential drugs were under monopoly for much longer in Brazil in comparison to any other country in the world, and that meant higher medicine prices for longer for people here in Brazil compared with other countries.

This was a problem – both for people who buy their medicines out of their own pocket and for the public health system; the government had to ration treatment often, because it simply could not afford the high price of medicines in the country.

AC: After 25 years, were you surprised when your day in court finally arrived?

FdC: Yes, it was a dramatic event. We didn't know until the day itself that it was going to go forward on the court's agenda. We have of course been preparing for years, but it all happened very quickly. There were several groups invited to give evidence in the court – pharma, representatives from the generic drugs industry and there was ourselves, civil society. We all had two minutes to speak.

We gave a very strong statement about how people were dying because drugs were too expensive. And Big Pharma went through the usual discredited storyline about how they need patents to keep innovating. There was however a very tense environment in the room because nobody knew exactly how the Supreme Court ministers would react to the case. They kept their cards very close to their chest in the run-up to the trial.

MSF Access Campaign – Medicines Are Not a Luxury

Felipe de Carvalho.

AC: How did the courtroom drama play out?

FdC: In fact, on the first day of the trial, a minister who was more sensitive to public health arguments was called on to speak first. He was really furious about the pharmaceutical industry's underhanded and secretive work before the case opened, to try to spread misleading information in the media and influence the decision before the case started. He spoke out very strongly, and it helped influence the other ministers to vote massively in favour of the unconstitutionality of the law.

So, it was a big win in court that day. But there was more to come. The first vote struck down the constitutionality of the principle of patent extension itself – in practice, that means 2,652 pharmaceutical patents that would benefit from patent term extension in the near future, have now lost this privilege, and so the monopolies on these medicines will be ended much sooner. But then the court went even further and voted again and made the same decision valid for drugs that are already in the patent extension period: at a stroke, an additional 3,836 pharmaceutical patents on a variety of essential drugs today in our pharmacies were invalidated!

AC: How significant is the court decision?

FdC: It's huge! The medicines impacted included a very important

Brazil's vibrant civil society has engaged in many important efforts in support of access to medicines.

MSF / MSF Access Campaign – Medicines Are Not a Luxury

drug used after the intubation of people with COVID-19 in ICUs. So now that the patent has been invalidated, Brazil has the option to purchase more affordable generic versions of these drugs – which were too expensive before.

But not only that, now the government can explore a range of more affordable generic suppliers of drugs for people with diabetes, HIV, tuberculosis, cancer and others, all of which have now lost their patents. As a result, the government will be able to increase the numbers of people on treatment – that's exactly what we wanted to see happen for so long.

So, yes, I think for people this is a big, big win. It was a major injustice in our patent law. It had no social benefit at all. It was basically giving companies more money for no reason.

AC: That's terrific. But it's not the only recent victory in Brazil in opening up access to medicines?

FdC: No, indeed, we've also seen a breakthrough on another piece of legislation we've been working to make happen for so long. The Senate has approved a bill that could make compulsory licensing of essential health technologies, such as drugs and vaccines, much easier and faster. We in MSF have long supported the use of compulsory licences to open up access to medicines, and now the pandemic has brought the medical urgency of such a move to centrestage.

The parliamentarians feel that they cannot any longer do nothing about the terrible situation we face here in Brazil – with the lack of access to vaccines especially. Many of them have said, 'We cannot stand here with our arms crossed waiting for a magical solution, we have to act now.'

AC: Is that bill going to become law soon?

FdC: Well, we are closer than ever now to a legal reform driven chiefly by the public interest. On 6 June, the House of Representatives also approved the same bill with a landslide majority of 425 votes against 15 votes. The next steps are a formal review by the Senate and then presidential approval.

What's amazing is how all these issues that are our 'bread and butter' have become so familiar now to everyone. I think we reached a point where it has all clicked – people were hearing about these things before, but they had no clue about how they would be really needed and when.

So, now it's very clear for everybody why these things are important, and you see ordinary people discussing patents and local production and even active pharmaceutical ingredients now! Regular people like my family, my father, my mother, they know all about it! This level of public awareness is crucial to move things along fast in Parliament.

AC: What message do you think these events are sending out to the world?

FdC: I think that people and Parliament here are sending a strong message to the federal government in Brazil to end its opposition to the proposed World Trade Organization TRIPS waiver on monopolies and patents on COVID-19 medical technologies. We believe only by getting behind this global waiver can we get out of this pandemic.

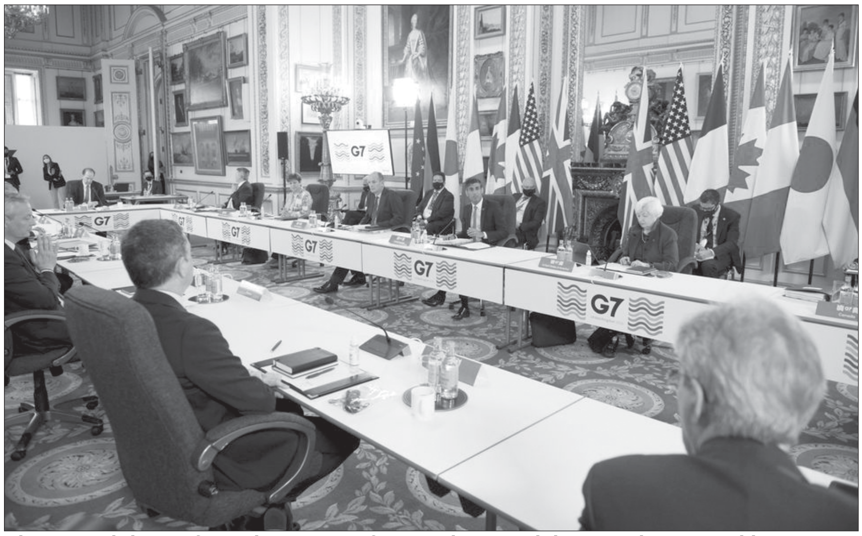
On the world stage, I think these victories in Brazil over the monopolistic power of pharmaceutical companies send the message that Brazil's solidarity on global health remains alive. So, we hope in particular that the Supreme Court decision here acts as an inspiration to other countries to put people over profits. ◆

This interview is reproduced from the MSF Access Campaign's 'Medicines Are Not a Luxury' blog (msf-access.medium.com).

Powerful states push tax race to the bottom

The recent agreement on taxing the profits of transnational corporations falls short of ensuring tax justice for developing countries.

Anis Chowdhury and Jomo Kwame Sundaram



Finance ministers from the Group of Seven largest rich countries agreed in June on a global minimum corporate income tax rate of 15%.

THE largest rich countries, home to most major transnational corporations (TNCs), have agreed to a global minimum corporate income tax (GMCIT) rate. But the low rate proposed and other features will deprive developing countries of their just due yet again.

On 5 June, the Group of Seven (G7) largest rich countries agreed that TNCs should all pay GMCIT of at least 15%. This rate is just over half President Joe Biden's promise of a 28% US CIT rate during last year's election campaign.

The G7's 15% GMCIT rate is also almost 30% less than US Treasury Secretary Janet Yellen's 21% proposal. Her proposal was aligned with Trump's much reduced CIT rate, rather than Biden's 28% vow.

Unbelievably, this cut rate has been hailed as a 'game changer' by the new Organisation for Economic Co-operation and Development (OECD) chief from Australia and the UK Chancellor of the Exchequer, among others.

Many have called for a GMCIT, especially those long concerned with reduced fiscal means. Notably, the Independent Commission for the Reform of International Corporate Taxation (ICRICT) called for a 25% GMCIT to enhance development finance.

On average, official CIT rates have fallen by 20 percentage points since 1980. In high-income countries, they fell from 38% in 1990 to 23% in 2018. Meanwhile, they fell from 40% to 25% in middle-income countries (MICs), and from over 45% to 30% in low-income countries (LICs). Despite such lowered rates, TNCs still minimise paying tax.

Contemporary fiscal crises have been decades in the making. The tax counter-revolution of recent decades cut not only public spending but also tax revenue. Developments in the last dozen years have forced an ongoing fiscal policy turn.

The 2008 global financial crisis was met by massive financial bailouts and recovery measures. Declining tax revenue in earlier decades and its sharp decline during the Great Recession compelled related policy rethinking.

Meanwhile, debilitating inter-country tax competition remains unaddressed. Now, the pandemic has enhanced efforts to boost fiscal means to finance contagion containment as well as economic relief and recovery.

TNCs' 'base erosion and profit shifting' (BEPS) practices are hardly new, having long adversely affected developing countries. To be sure, all countries have lost much tax revenue to such practices.

TNCs use 'trade mis-invoicing' – i.e., 'paper transactions' among linked companies – and 'tax havens' to minimise overall tax liability on their profits and income. Thus, effective tax rates are even lower, with many paying little in fact.

In 2013, the OECD launched its BEPS project, at the behest of the Group of Twenty (G20) largest economies, to reform taxation of TNC digital commerce (Pillar 1) and propose a GMCIT rate (Pillar 2).

ICRICT estimated yearly global revenue losses at minimally $240 billion, or 10% of global CIT revenue. Despite falling rates, CIT is still significant for government revenue, at 13-14% of global tax revenue, and 9.3% in OECD countries.

Tax injustice rules

The OECD has long limited international tax cooperation to arrangements for its wealthy-country members. Its BEPS proposal's 12.5% minimum rate would raise no more than $81 billion in additional revenue yearly. Unsurprisingly, about 75% of the additional tax revenue envisaged would go to its rich member states.

The G7 proposal's main attraction is that it seems simpler than the OECD blueprints. If more TNCs are taxed, than just a few large TNCs with profit rates over 10%, CIT revenue would rise significantly. For Yellen, a minimal Pillar 2 CIT rate on about 8,000 TNCs would yield much more.

For the G7, host countries will only have the right to tax 20% of 'excess profits' (over 10%) from the largest, most profitable firms. In the OECD draft, 'residual' profit untaxed by home – headquarters or 'source' – countries may be taxed by host countries.

Calculating and apportioning excess profit will always be moot. As home countries have the right to tax the 'residual', or balance untaxed by host countries, developing countries will have no more reason to offer tax incentives to attract foreign direct investment.

Both OECD and G7 proposals favour TNC home countries, even when host countries are the main profit source. Also, mechanisms to distribute 'extra' tax revenue would mainly benefit the richest countries, home to most large TNCs.

Incredibly, location of TNC production or employment, often in developing countries, is irrelevant for defining host countries. With generally lower incomes, developing countries are relatively less significant as sales jurisdictions except for affordable, mass-consumed goods and services.

Some governments are expected to seek – and gain – exemptions to protect special interests, further eroding the already modest G7 proposal, e.g., the UK reportedly wants to exclude financial services. Also, some low-tax countries are among those sowing doubts about the G7 proposal.

Meanwhile, tax justice campaigners have noted the painfully obvious: the G7's 15% minimum is too low – much lower than average rates in most MICs and LICs, and closer to rates in tax havens like Singapore, Switzerland and Ireland. The rate is seen as reflecting G7 interests and preferences.

Transnational corporations use tax havens and trade mis-invoicing to minimise overall tax liability on their profits. The Cayman Islands *(pic)* **has long been considered to be one of the major tax havens.**

Instead, the G24 inter-governmental group of developing countries at the International Monetary Fund (IMF) and World Bank urges greater priority for host countries. The G24 and African Tax Administration Forum have also proposed various practical measures. These include distributing TNCs' global profits among countries on a formulaic basis, considering factors such as production and employment, not just sales.

An IMF policy paper also argues for greater priority for LIC interests. It urges a simpler system, given their capacity constraints, and the critical need for 'securing the tax base on inward investment'.

But achieving a fair and effective outcome is difficult. According to the Tax Justice Network, a 21% minimum rate would yield $640 billion more annually. Tax equity campaigners' other proposals are also generally fairer to developing countries.

Reverse race to bottom

The G7 has lowered the GMCIT to 15%, close to the OECD's 12.5% proposal, and much lower than Yellen's 21%, Biden's 28% and ICRICT's 25%. But the G20 could still reverse this downward trend as it can decisively influence the OECD BEPS Inclusive Framework (IF) outcome.

A related option is to begin implementation as soon as possible at a certain lower rate, with an irrevocably scheduled commitment to quickly raise the GMCIT rate according to a preset timetable to, say, 25%.

Much more remains to be done, much of it urgently. Developing countries can only seek tax justice on more neutral ground provided by a truly multilateral forum, namely at the United Nations with the IMF providing needed technical support.

For the time being, however, the participation of many developing countries, mainly MICs, in the skewed OECD BEPS IF has to be urgently addressed to ensure its outcome is not detrimental to their medium- and long-term interests. – *IPS* ◆

Anis Chowdhury, Adjunct Professor at Western Sydney University (Australia), held senior United Nations positions in New York and Bangkok. Jomo Kwame Sundaram, a former economics professor, was UN Assistant Secretary-General for Economic Development, and received the Wassily Leontief Prize for Advancing the Frontiers of Economic Thought in 2007.

The proposal for a minimum global corporate tax rate

The renewed focus on raising corporate tax revenues marks a shift from wrong-headed claims that lower tax rates would spur investment in developing economies.

Prabhat Patnaik

FOLLOWING its $1.9 trillion COVID-relief package, the Joe Biden administration in the United States has further announced an infrastructure package of $2.3 trillion. But in contrast to the former, which is to be spent within months, the latter is to be spent over an eight-year period. And this package in turn is to be followed by a 'human infrastructure' package. All this adds up to a massive stimulus for the economy as well as a massive redistributive programme, especially since the infrastructure package is proposed to be substantially financed through an increase in corporate tax rates. Donald Trump had reduced corporate tax rates in the US from 35% to 21%, and Biden wants to raise the tax rate to 28%, not immediately of course but over a period of time.

After years of neoliberalism, this represents a return to a social democratic agenda the like of which has not been seen for 50 years. How this programme unfolds – both the hurdles before a social democratic agenda in today's capitalism and also the consequences of the simultaneous imposition of 'austerity' on Third World countries even as social democratic measures are implemented in the metropolis – will be watched in the coming days; but here we are concerned with a specific aspect of it.

The US simply cannot with impunity raise its corporate income tax rates in isolation. Any such unilateral increase in this tax rate will encourage a relocation of activity from the US to other countries where the tax rates remain unchanged and hence become lower relative to the US. Besides, companies can always show profits accruing in countries which are not necessarily the areas of their main activity (which is how 'tax havens' come up). Hence through the use of appropriate accounting practices, even if their profits actually accrue from operations within the US, they can always claim the source of their profits as lying elsewhere and thereby evade the higher US corporate tax rate. The US therefore cannot raise its own corporate income tax rate without persuading other countries to do likewise.

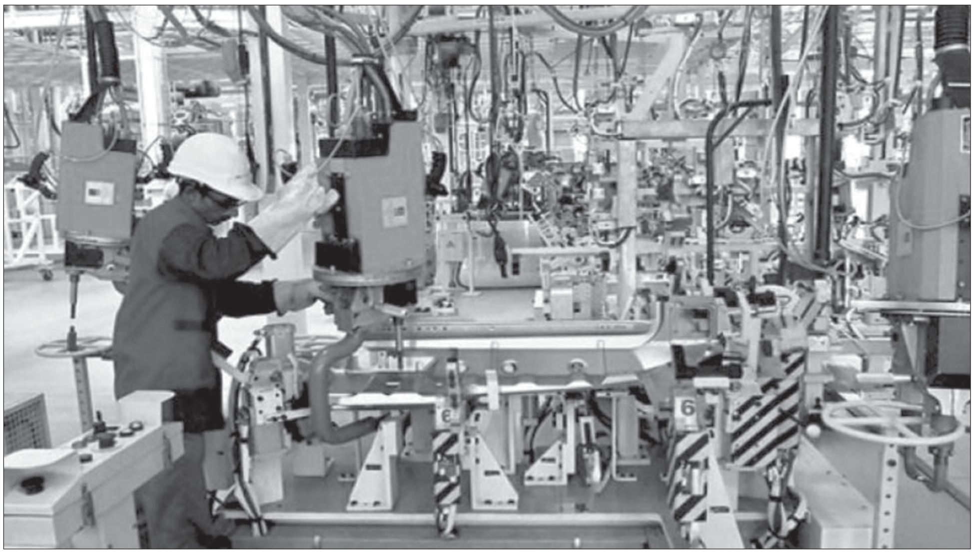
The World Bank and the IMF have been in the forefront of the move to lower corporate income tax rates.

One suggestion in this direction put forward by the US Treasury Secretary Janet Yellen was to have a global minimum corporate tax rate of 21%. The tendency all over the world has in fact been in the other way; as she put it, there has been a 'race to the bottom' among countries with regard to the corporate income tax rate over the last three decades: the average worldwide statutory corporate income tax rate, which was 40% in 1980, fell to 24% in 2020, resulting in considerable loss in tax revenue. Ironically the loss as percentage of gross domestic product (GDP) is higher in low- and middle-income countries compared with high-income countries. This is because the share of corporate tax revenue in total tax revenue is higher for the former group of countries compared with the latter.

Because of this loss of revenue, Third World countries have either increased what they garner from other sources, notably indirect taxes which have a regressive impact, or cut their expenditures on education, healthcare and welfare programmes for the poor. In either case, there is effectively a redistribution of income from the poor to the rich. Predictably, the World Bank and the International Monetary Fund (IMF) have been in the forefront of this move to lower corporate income tax rates, 'advising' Third World countries to reduce these rates as a means of attracting more investments to their respective economies, which is the neoliberal panacea for overcoming their poverty.

There is however no evidence to suggest that either the scale of inflow of direct foreign investment to the poor countries or the overall rate of investment in these economies is at all correlated with corporate income tax rates. This is not surprising: there is absolutely no theoretical reason to expect such a correlation between corporate tax rates and either the inflow of direct foreign investment or the overall investment rate.

The magnitude of investment for the home market undertaken by the private corporate sector in a Third World economy depends upon the expected growth of home demand. Reducing the corporate tax rate only raises the amount of post-tax profits of the companies but has no effect on the expected growth of home demand (in fact, if government expenditure is



There is no evidence to suggest that either the inflow of direct foreign investments to developing countries or the overall rate of investment in these economies is at all correlated with corporate income tax rates.

curtailed because of it, then the expected growth of home demand will actually fall, giving rise to reduced private corporate investment). A reduction in the corporate tax rate therefore simply puts more money into company pockets without raising investment for the home market.

Investment for the global market, on the other hand, depends on the expected growth in world demand, and this too is not increased through a reduction in corporate tax rates. Even the claim that larger relocation of investment to the Third World occurs if the corporate tax rates are lowered has little validity. The difference between advanced-country and Third World wage rates, and hence the difference between the rates of profit in locating a plant in the latter compared with the former, is so large that whatever relocation that metropolitan capital wishes to undertake happens anyway; tax-rate changes at the margin have little effect upon it. Whether to locate plants in the Third World, and to what extent, depends on other considerations like the availability of infrastructure, the availability of an educated and trained workforce and such like; it hardly depends on tax-rate adjustments at the margin.

Among the advanced capitalist countries, where other things, such as the availability of a trained workforce or of infrastructure, are more or less equal, tax-rate changes would make a difference to the decision on where to locate plants (which after all is why the US cannot just take a unilateral decision on the corporate tax rate); but tax-rate changes would make little difference to the amount of investment for the global market sought to be located in the Third World. It is not surprising therefore that the total corporate investment in Third World countries and also the amount of inflow of direct foreign investment have been empirically found to be unresponsive to a lowering of the corporate tax rate in these countries.

Besides, when tax rates are being lowered across the board in most countries of the world as part of the 'race to the bottom', any advantage that the Third World might have derived from lowering its tax rate gets nullified by similar lowering elsewhere.

India too has been witnessing a progressive reduction in corporate income tax rates. In fact on 1 April 2019, the government announced new rates that brought down the corporate tax on companies not seeking any incentives/exemptions from 30% to 22% (which along with surcharges and education cess comes to an effective tax rate of 25.17%), and on new companies from 25% to 15%. Janet Yellen's proposal, one would expect, should have been welcomed by India, since it puts an end to the freefall in corporate income tax rates. But oddly the Indian government has remained remarkably reticent about endorsing it. The only explanation one can think of for this reticence is that the Narendra Modi government, unlike the Biden administration, is not interested in adopting any welfare measures for the people, that it is not interested in pursuing any social democratic agenda, and that it remains a votary of the bogus argument that reducing tax rates on companies increases investment and growth, using that argument to enrich its cronies.

Despite support from many advanced capitalist countries, the Yellen proposal has not been generally accepted within the circle of countries to which decision-making on this issue remains confined till now. Instead of the United Nations having a discussion on this issue involving all countries and coming to some agreed conclusion, which should be the logical course in a post-colonial world of equals, it is only the G20 and other rich-country forums that are deciding on the issue and leaving it to other countries to accept their decision.

Because of opposition within this narrow circle, even the US appears to be toning down its demand, from a 21% global minimum corporate tax rate as originally proposed to 15%. What the final outcome would be remains to be seen, but we are clearly seeing the end of the neoliberal phase of world capitalism. ◆

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ECONOMICS

The secret IRS files

Confidential records from the US Internal Revenue Service reveal how that country's wealthiest individuals avoid income tax.

Jesse Eisinger, Jeff Ernsthausen and Paul Kiel / ProPublica

A truck bearing a protest sign drives past a mansion owned by Amazon founder Jeff Bezos in Washington. Bezos, currently the world's richest man, paid no federal income taxes in 2007 and 2011.

This story was originally published by ProPublica (www.propublica.org/article/the-secret-irs-files-trove-of-never-before-seen-records-reveal-how-the-wealthiest-avoid-income-tax).

IN 2007, Jeff Bezos, then a multibillionaire and now the world's richest man, did not pay a penny in federal income taxes. He achieved the feat again in 2011. In 2018, Tesla founder Elon Musk, the second-richest person in the world, also paid no federal income taxes.

Michael Bloomberg managed to do the same in recent years. Billionaire investor Carl Icahn did it twice. George Soros paid no federal income tax three years in a row.

The investigative journalism outfit ProPublica has obtained a vast trove of US Internal Revenue Service (IRS) data on the tax returns of thousands of the nation's wealthiest people, covering more than 15 years. The data provides an unprecedented look inside the financial lives of America's titans, including Warren Buffett, Bill Gates, Rupert Murdoch and Mark Zuckerberg. It shows not just their income and taxes, but also their investments, stock trades, gambling winnings and even the results of audits.

Taken together, it demolishes the cornerstone myth of the American tax system: that everyone pays their fair share and the richest Americans pay the most. The IRS records show that the wealthiest can – perfectly legally – pay income taxes that are only a tiny fraction of the hundreds of millions, if not billions, their fortunes grow each year.

Many Americans live paycheque to paycheque, amassing little wealth and paying the federal government a percentage of their income that rises if they earn more. In recent years, the median American household earned about $70,000 annually and paid 14% in federal taxes. The highest income tax rate, 37%, kicked in this year, for couples, on earnings above $628,300.

The confidential tax records obtained by ProPublica show that the ultrarich effectively sidestep this system.

America's billionaires avail themselves of tax-avoidance strategies beyond the reach of ordinary people. Their wealth derives from the skyrocketing value of their assets, like stock and property. Those gains are not defined by US laws as taxable income unless and until the billionaires sell.

To capture the financial reality of the richest Americans, ProPublica undertook an analysis that has never been done before. We compared how much in taxes the 25 richest Americans paid each year against how much *Forbes* estimated their wealth grew in that same time period. We're going to call this their true tax rate.

The results are stark. According to *Forbes*, those 25 people saw their worth rise a collective $401 billion from 2014 to 2018. They paid a total of $13.6 billion in federal income taxes in those five years, the IRS data shows. That's a staggering sum, but it amounts to a true tax rate of only 3.4%.

It's a completely different picture for middle-class Americans, for example, wage earners in their early 40s who have amassed a typical amount of wealth for people their age. From 2014 to 2018, such households saw their net worth expand by about $65,000 after taxes on average, mostly due to the rise in value of their homes. But because the vast bulk of their earnings were salaries, their tax bills were almost as much, nearly $62,000, over that five-year period.

No one among the 25 wealthiest avoided as much tax as Buffett, the grandfatherly centibillionaire. That's perhaps surprising, given his public stance as an advocate of higher taxes for the rich. According to *Forbes*, his riches rose $24.3 billion between 2014 and 2018. Over those years, the data shows, Buffett reported paying $23.7 million in taxes. That works out to a true tax rate of 0.1%, or less than 10 cents for every $100 he added to his wealth.

In the coming months, ProPublica will use the IRS data we have obtained to explore in detail how the ultrawealthy avoid taxes, exploit loopholes and escape scrutiny from federal auditors.

Experts have long understood the broad outlines of how little the wealthy are taxed in the United States, and many laypeople have long suspected the same thing. But few specifics about individuals ever emerge in public. Tax information is among the most zealously guarded secrets in the federal government. ProPublica has decided to reveal individual tax information of some of the wealthiest Americans because it is only by seeing specifics that the public can understand the realities of the country's tax system.

Consider Bezos's 2007, one of the years he paid zero in federal income taxes. Amazon's stock more than doubled. Bezos's fortune leapt $3.8 billion, according to *Forbes*, whose wealth estimates are widely cited. How did a person enjoying that sort of wealth explosion end up paying no income tax?

In that year, Bezos, who filed his taxes jointly with his then-wife, MacKenzie Scott, reported a paltry (for him) $46 million in income, largely from interest and dividend payments on outside investments. He was able to offset every penny he earned with losses from side investments and various deductions, like interest expenses on debts and the vague catchall category of 'other expenses'.

In 2011, a year in which his wealth held roughly steady at $18 billion, Bezos filed a tax return reporting he lost money – his income that year was more than offset by investment losses. What's more, because, according to the tax law, he made so little, he even claimed and received a $4,000 tax credit for his children.

His tax avoidance is even more striking if you examine 2006 to 2018, a period for which ProPublica has complete data. Bezos's wealth increased by $127 billion, according to *Forbes*, but he reported a total of $6.5 billion in income. The $1.4 billion he paid in personal federal taxes is a massive number – yet it amounts to a 1.1% true tax rate on the rise in his fortune.

The revelations provided by the IRS data come at a crucial moment. Wealth inequality has become one of the defining issues of our age. The president and Congress are considering the most ambitious tax increases in decades on those with high incomes. But the American tax conversation has been dominated by debate over incremental changes, such as whether the top tax rate should be 39.6% rather than 37%.

ProPublica's data shows that while some wealthy Americans, such as hedge fund managers, would pay more taxes under the current Biden administration proposals, the vast majority of the top 25 would see little change.

The tax data was provided to ProPublica after we published a series of articles scrutinising the IRS. The articles exposed how years of budget cuts have hobbled the agency's ability to enforce the law and how the largest corporations and the rich have benefited from the IRS's weakness. They also showed how people in poor regions are now more likely to be audited than those in affluent areas.

ProPublica is not disclosing how it obtained the data, which was given to us in raw form, with no conditions or conclusions. ProPublica reporters spent months processing and analysing the material to transform it into a usable database.

We then verified the information by comparing elements of it with dozens of already public tax details (in court documents, politicians' financial disclosures and news stories) as well as by vetting it with individuals whose tax information is contained in the trove. Every person whose tax information is described in this story was asked to comment. Those who responded, including Buffett, Bloomberg and Icahn, all said they had paid the taxes they owed.

A spokesman for Soros said in a statement: 'Between 2016 and 2018 George Soros lost money on his investments, therefore he did not owe federal income taxes in those years. Mr. Soros has long supported higher taxes for wealthy Americans.' Personal and corporate representatives of Bezos declined to receive detailed questions about the matter. ProPublica attempted to reach Scott through her divorce attorney, a personal representative and family members; she did not respond. Musk responded to an initial query with a lone punctuation mark: '?' After we sent detailed questions to him, he did not reply.

One of the billionaires mentioned in this article objected, arguing that publishing personal tax information is a violation of privacy. We have concluded that the public interest in knowing this information at this pivotal moment outweighs that legitimate concern.

The consequences of allowing the most prosperous to game the tax system have been profound. Federal budgets, apart from military spending, have been constrained for decades. Roads and bridges have crumbled, social services have withered and the solvency of Social Security and Medicare is perpetually in question.

There is an even more fundamental issue than which programmes get funded or not: Taxes are a kind of collective sacrifice. No one loves giving their hard-earned money to the government. But the system works only as long as it's perceived to be fair.

Our analysis of tax data for the 25 richest Americans quantifies just how unfair the system has become.

By the end of 2018, the 25 were worth $1.1 trillion. For comparison, it would take 14.3 million ordinary American wage earners put together to equal that same amount of wealth.

The personal federal tax bill for the top 25 in 2018: $1.9 billion. The bill for the wage earners: $143 billion.

Taxation – and tax avoidance – through the years

The idea of a regular tax on income, much less on wealth, does not appear in the country's founding documents. In fact, Article 1 of the US Constitution explicitly prohibits 'direct' taxes on citizens under most circumstances. This meant that for decades, the US government mainly funded itself through 'indirect' taxes: tariffs and levies on consumer goods like tobacco and alcohol.

With the costs of the Civil War looming, Congress imposed a national income tax in 1861. The wealthy helped force its repeal soon after the war ended. (Their pique could only have been exacerbated by the fact that the law required public disclosure. The annual income of the moguls of the day – $1.3 million for William Astor; $576,000 for Cornelius Vanderbilt – was listed in the pages of *The New York Times* in 1865.)

By the late 19th and early 20th century, wealth inequality was acute and the political climate was changing. The federal government began expanding, creating agencies to protect food, workers and more. It needed funding, but tariffs were pinching regular Americans more than the rich. The Supreme Court had rejected an 1894 law that would have created an income tax. So Congress moved to amend the Constitution. The 16th Amendment was ratified in 1913 and gave the government power 'to lay and collect taxes on incomes, from whatever source derived'.

In the early years, the personal income tax worked as Congress intended, falling squarely on the richest. In 1918, only 15% of American families owed any tax. The top 1% paid 80% of the revenue raised, according to historian W. Elliot Brownlee.

But a question remained: What would count as income and what wouldn't? In 1916, a woman named Myrtle Macomber received a dividend for her Standard Oil of California shares. She owed taxes, thanks to the new law. The dividend had not come in cash, however. It came in the form of an additional share for every two shares she already held. She paid the taxes and then brought a court challenge: Yes, she'd gotten a bit richer, but she hadn't received any money. Therefore, she argued, she'd received no 'income'.

Four years later, the Supreme Court agreed. In *Eisner v. Macomber*, the high court ruled that income derived only from proceeds. A person needed to sell an asset – stock, bond or building – and reap some money before it could be taxed.

Since then, the concept that income comes only from proceeds – when gains are 'realised' – has been the bedrock of the US tax system. Wages are taxed. Cash dividends are taxed. Gains from selling assets are taxed. But if a taxpayer hasn't sold anything, there is no income and therefore no tax.

Contemporary critics of Macomber were plentiful and prescient. Cordell Hull, the congressman known as the 'father' of the income tax, assailed the decision, according to scholar Marjorie Kornhauser. Hull predicted that tax avoidance would become common. The ruling opened a gaping loophole, Hull warned, allowing industrialists to build a company and borrow against the stock to pay living expenses. Anyone could 'live upon the value' of their company stock 'without selling it, and of course, without ever paying' tax, he said.

Hull's prediction would reach full flower only decades later, spurred by a series of epochal economic, legal and cultural changes that began to gather momentum in the 1970s. Antitrust enforcers increasingly accepted mergers and stopped trying to break up huge corporations. For their part, companies came to obsess over the value of their stock to the exclusion of nearly everything else. That helped give rise in the last 40 years to a series of corporate monoliths – beginning with Microsoft and Oracle in the 1980s and 1990s and continuing to Amazon, Google, Facebook and Apple today – that often have concentrated ownership, high profit margins and rich share prices. The winner-take-all economy has created modern fortunes that by some measures eclipse those of John D Rockefeller, J P Morgan and Andrew Carnegie.

In the here and now, the ultrawealthy use an array of techniques that aren't available to those of lesser means to get around the tax system. Certainly, there are illegal tax evaders among them, but it turns out billionaires don't have to evade taxes exotically and illicitly – they can avoid them routinely and legally.

Most Americans have to work to live. When they do, they get paid – and they get taxed. The federal government considers almost every dollar workers earn to be 'income', and employers take taxes directly out of their paycheques.

The Bezoses of the world have no need to be paid a salary. Bezos's Amazon wages have long been set at the middle-class level of around $80,000 a year.

For years, there's been something of a competition among elite founder-CEOs to go even lower. Steve Jobs took $1 in salary when he returned to Apple in the 1990s. Facebook's Zuckerberg, Oracle's Larry Ellison and Google's Larry Page have all done the same.

Yet this is not the self-effacing gesture it appears to be: Wages are taxed at a high rate. The top 25 wealthiest Americans reported $158 million in wages in 2018, according to the IRS data. That's a mere 1.1% of what they listed on their tax forms as their total reported income. The rest mostly came from dividends and the sale of stock, bonds or other investments, which are taxed at lower rates than wages.

As Congressman Hull envisioned long ago, the ultrawealthy typically hold fast to shares in the companies they've founded. Many titans of the 21st century sit on mountains of what are known as unrealised gains, the total size of which fluctuates each day as stock prices rise and fall. Of the $4.25 trillion in wealth held by US billionaires, some $2.7 trillion is unrealised, according to Emmanuel Saez and Gabriel Zucman, economists at the University of California, Berkeley.

Buffett has famously held onto his stock in the company he founded, Berkshire Hathaway, the conglomerate that owns Geico, Duracell and significant stakes in American Express and Coca-Cola. That has allowed Buffett to largely avoid transforming his wealth into income. From 2015 through 2018, he reported annual income ranging from $11.6 million to $25 million. That may seem like a lot, but Buffett ranks as roughly the world's sixth-richest person – he's worth $110 billion as of *Forbes*'s estimate in May 2021. At least 14,000 US taxpayers in 2015 reported higher income than him, according to IRS data.

There's also a second strategy Buffett relies on that minimises income, and therefore, taxes. Berkshire does not pay a dividend, the sum (a piece of the profits, in theory) that many companies pay each quarter to those who own their stock. Buffett has always argued that it is better to use that money to find investments for Berkshire that will further boost the value of shares held by him and other investors. If Berkshire had offered anywhere close to the average dividend in recent years, Buffett would have received over $1 billion in dividend income and owed hundreds of millions in taxes each year.

Many Silicon Valley and infotech companies have emulated Buffett's model, eschewing stock dividends, at least for a time. In the 1980s and 1990s, companies like Microsoft and Oracle offered shareholders rocketing growth and profits but did not pay dividends. Google, Facebook, Amazon and Tesla do not pay dividends.

In a detailed written response, Buffett defended his practices but did not directly address ProPublica's true tax rate calculation. 'I continue to believe that the tax code should be changed substantially,' he wrote, adding that he thought 'huge dynastic wealth is not desirable for our society'.

The decision not to have Berkshire pay dividends has been supported by the vast majority of his shareholders. 'I can't think of any large public company with shareholders so united in their reinvestment beliefs,' he wrote. And he pointed out that Berkshire Hathaway pays significant corporate taxes, accounting for 1.5% of total US corporate taxes in 2019 and 2020.

Buffett reiterated that he has begun giving his enormous fortune away and ultimately plans to donate 99.5% of it to charity. 'I believe the money will be of more use to society if disbursed philanthropically than if it is used to slightly reduce an ever-increasing US debt,' he wrote.

Billionaire borrowers

So how do megabillionaires pay their megabills while opting for $1 salaries and hanging onto their stock? According to public documents and experts, the answer for some is borrowing money – lots of it.

For regular people, borrowing money is often something done out of necessity, say for a car or a home. But for the ultrawealthy, it can be a way to access billions without producing income, and thus, income tax.

The tax math provides a clear incentive for this. If you own a company and take a huge salary, you'll pay 37% in income tax on the bulk of it. Sell stock and you'll pay 20% in capital gains tax – and lose some control over your company. But take out a loan, and these days you'll pay a single-digit interest rate and no tax; since loans must be paid back, the IRS doesn't consider them income. Banks typically require collateral, but the wealthy have plenty of that.

The vast majority of the ultrawealthy's loans do not appear in the tax records obtained by ProPublica since they are generally not disclosed to the IRS. But occasionally, the loans are disclosed in securities filings. In 2014, for example, Oracle revealed that its CEO, Ellison, had a credit line secured by about $10 billion of his shares.

Last year Tesla reported that Musk had pledged some 92 million shares, which were worth about $57.7 billion as of 29 May 2021, as collateral for personal loans.

With the exception of one year when he exercised more than a billion dollars in stock options, Musk's tax bills in no way reflect the fortune he has at his disposal. In 2015, he paid $68,000 in federal income tax. In 2017, it was $65,000, and in 2018 he paid no federal income tax. Between 2014 and 2018, he had a true tax rate of 3.27%.

The IRS records provide glimpses of other massive loans. In both 2016 and 2017, investor Carl Icahn, who ranks as the 40th-wealthiest American on the *Forbes* list, paid no federal income taxes despite reporting a total of $544 million in adjusted gross income (which the IRS defines as earnings minus items like student loan interest payments or alimony). Icahn had an outstanding loan of $1.2 billion with Bank of America among other loans, according to the IRS data. It was technically a mortgage because it was secured, at least in part, by Manhattan penthouse apartments and other properties.

Borrowing offers multiple benefits to Icahn: He gets huge tranches of cash to turbocharge his investment returns. Then he gets to deduct the interest from his taxes. In an interview, Icahn explained that he reports the profits and losses of his business empire on his personal taxes.

Icahn acknowledged that he is a 'big borrower. I do borrow a lot of money'. Asked if he takes out loans also to lower his tax bill, Icahn said: 'No, not at all. My borrowing is to win. I enjoy the competition. I enjoy winning.'

He said adjusted gross income was a misleading figure for him. After taking hundreds of millions in deductions for the interest on his loans, he registered tax losses for both years, he said. 'I didn't make money because, unfortunately for me, my interest was higher than my whole adjusted income.'

Asked whether it was appropriate that he had paid no income tax in certain years, Icahn said he was perplexed by the question. 'There's a reason it's called income tax,' he said. 'The reason is if, if you're a poor person, a rich person, if you are Apple – if you have no income, you don't pay taxes.' He added: 'Do you think a rich person should pay taxes no matter what? I don't think it's germane. How can you ask me that question?'

Sceptics might question our analysis of how little the superrich pay in taxes. For one, they might argue that owners of companies get hit by corporate taxes. They also might counter that some billionaires cannot avoid income – and therefore taxes. And after death, the common understanding goes, there's a final no-escape clause: the estate tax, which imposes a steep tax rate on sums over $11.7 million.

ProPublica found that none of these factors alter the fundamental picture.

Take corporate taxes. When companies pay them, economists say, these costs are passed on to the companies' owners, workers or even consumers. Models differ, but they generally assume big stockholders shoulder the lion's share.

Corporate taxes, however, have plummeted in recent decades in what has become a golden age of corporate tax avoidance. By sending profits abroad, companies like Google, Facebook, Microsoft and Apple have often paid little or no US corporate tax.

For some of the nation's wealthiest people, particularly Bezos and Musk, adding corporate taxes to the equation would hardly change anything at all. Other companies like Berkshire Hathaway and Walmart do pay more, which means that for people like Buffett and the Waltons, corporate tax could add significantly to their burden.

It is also true that some billionaires don't avoid taxes by avoiding incomes. In 2018, nine of the 25 wealthiest Americans reported more than $500 million in income and three more than $1 billion.

In such cases, though, the data obtained by ProPublica shows billionaires have a palette of tax-avoidance options to offset their gains using credits, deductions (which can include charitable donations) or losses to lower or even zero out their tax bills. Some own sports teams that offer such lucrative write-offs that owners often end up paying far lower tax rates than their millionaire players. Others own commercial buildings that steadily rise in value but nevertheless can be used to throw off paper losses that offset income.

Michael Bloomberg, the 13th-richest American on the *Forbes* list, often reports high income because the profits of the private company he controls flow mainly to him.

In 2018, he reported income of $1.9 billion. When it came to his taxes, Bloomberg managed to slash his bill by using deductions made possible by tax cuts passed during the Trump administration, charitable donations of $968.3 million and credits for having paid foreign taxes. The end result was that he paid $70.7 million in income tax on that almost $2 billion in income. That amounts to just a 3.7% conventional income tax rate. Between 2014 and 2018, Bloomberg had a true tax rate of 1.30%.

In a statement, a spokesman for Bloomberg noted that as a candidate, Bloomberg had advocated for a variety of tax hikes on the wealthy. 'Mike Bloomberg pays the maximum tax rate on all federal, state, local and international taxable income as prescribed by law,' the spokesman wrote. And he cited Bloomberg's philanthropic giving, offering the calculation that 'taken together, what Mike gives to charity and pays in taxes amounts to approximately 75% of his annual income'.

The statement also noted: 'The release of a private citizen's tax returns should raise real privacy concerns regardless of political affiliation or views on tax policy. In the United States no private citizen should fear the illegal release of their taxes. We intend to use all legal means at our disposal to determine which individual or government entity leaked these and ensure that they are held responsible.'

Ultimately, after decades of wealth accumulation, the estate tax is supposed to serve as a backstop, allowing authorities an opportunity to finally take a piece of giant fortunes before they pass to a new generation. But in reality, preparing for death is more like the last stage of tax avoidance for the ultrawealthy.

University of Southern California tax law professor Edward McCaffery has summarised the entire arc with the catchphrase 'buy, borrow, die'.

The notion of dying as a tax benefit seems paradoxical. Normally when someone sells an asset, even a minute before they die, they owe 20% capital gains tax. But at death, that changes. Any capital gains till that moment are not taxed. This allows the ultrarich and their heirs to avoid paying billions in taxes. The 'step-up in basis' is widely recognised by experts across the political spectrum as a flaw in the code.

Then comes the estate tax, which, at 40%, is among the highest in the federal code. This tax is supposed to give the government one last chance to get a piece of all those unrealised gains and other assets the wealthiest Americans accumulate over their lifetimes.

It's clear, though, from aggregate IRS data, tax research and what little trickles into the public arena about estate planning of the wealthy that they can readily escape turning over almost half of the value of their estates. Many of the richest create foundations for philanthropic giving, which provide large charitable tax deductions during their lifetimes and bypass the estate tax when they die.

Wealth managers offer clients a range of opaque and complicated trusts that allow the wealthiest Americans to give large sums to their heirs without paying estate taxes. The IRS data obtained by ProPublica gives some insight into the ultrawealthy's estate planning, showing hundreds of these trusts.

The result is that large fortunes can pass largely intact from one generation to the next. Of the 25 richest people in America today, about a quarter are heirs: three are Waltons, two are scions of the Mars candy fortune and one is the son of Estée Lauder.

Inflection point

In the past year and a half, hundreds of thousands of Americans have died from COVID-19, while millions were thrown out of work. But one of the bleakest periods in American history turned out to be one of the most lucrative for billionaires. They added $1.2 trillion to their fortunes from January 2020 to the end of April of this year, according to *Forbes*.

That windfall is among the many factors that have led the country to an inflection point, one that traces back to a half-century of growing wealth inequality and the financial crisis of 2008, which left many with lasting economic damage. American history is rich with such turns. There have been famous acts of tax resistance, like the Boston Tea Party, countered by less well-known efforts to have the rich pay more.

One such incident, over half a century ago, appeared as if it might spark great change. President Lyndon Johnson's outgoing treasury secretary, Joseph Barr, shocked the nation when he revealed that 155 Americans making over $200,000 (about $1.6 million today) had paid no taxes. That group, he told the Senate, included 21 millionaires.

'We face now the possibility of a taxpayer revolt if we do not soon make major reforms in our income taxes,' Barr said. Members of Congress received more furious letters about the tax scofflaws that year than they did about the Vietnam War.

Congress did pass some reforms, but the long-term trend was a revolt in the opposite direction, which then accelerated with the election of Ronald Reagan in 1980. Since then, through a combination of political donations, lobbying, charitable giving and even direct bids for political office, the ultrawealthy have helped shape the debate about taxation in their favour.

One apparent exception: Buffett, who broke ranks with his billionaire cohort to call for higher taxes on the rich. In a famous *New York Times* op-ed in 2011, Buffett wrote, 'My friends and I have been coddled long enough by a billionaire-friendly Congress. It's time for our government to get serious about shared sacrifice.'

Buffett did something in that article that few Americans do: He publicly revealed how much he had paid in personal federal taxes the previous year ($6.9 million). Separately, *Forbes* estimated his fortune had risen $3 billion that year. Using that information, an observer could have calculated his true tax rate; it was 0.2%. But then, as now, the discussion that ensued on taxes was centred on the traditional income tax rate.

In 2011, President Barack Obama proposed legislation known as the Buffett Rule. It would have raised income tax rates on people reporting over a million dollars a year. It didn't pass. Even if it had, however, the Buffett Rule wouldn't have raised Buffett's taxes significantly. If you can avoid income, you can avoid taxes.

Today, just a few years after Republicans passed a massive tax cut that disproportionately benefited the wealthy, the country may be facing another swing of the pendulum, back toward a popular demand to raise taxes on the wealthy. In the face of growing inequality and with spending ambitions that rival those of Franklin D Roosevelt or Johnson, the Biden administration has proposed a slate of changes. These include raising the tax rates on people making over $400,000 and bumping the top income tax rate from 37% to 39.6%, with a top rate for long-term capital gains to match that. The administration also wants to up the corporate tax rate and to increase the IRS's budget.

Some Democrats have gone further, floating ideas that challenge the tax structure as it's existed for the last century. Oregon Senator Ron Wyden, the chairman of the Senate Finance Committee, has proposed taxing unrealised capital gains, a shot through the heart of Macomber. Senators Elizabeth Warren and Bernie Sanders have proposed wealth taxes.

Aggressive new laws would likely inspire new, sophisticated avoidance techniques. A few countries, including Switzerland and Spain, have wealth taxes on a small scale. Several, most recently France, have abandoned them as unworkable. Opponents contend that they are complicated to administer, as it is hard to value assets, particularly of private companies and property.

What it would take for a fundamental overhaul of the US tax system is not clear. But the IRS data obtained by ProPublica illuminates that all of these conversations have been taking place in a vacuum. Neither political leaders nor the public have ever had an accurate picture of how comprehensively the wealthiest Americans avoid paying taxes.

Buffett and his fellow billionaires have known this secret for a long time. As Buffett put it in 2011: 'There's been class warfare going on for the last 20 years, and my class has won.' – *ProPublica* ◆

ProPublica is a nonprofit newsroom that investigates abuses of power. The Secret IRS Files is an ongoing reporting project. To be notified when the next instalment publishes, sign up at www.propublica.org/newsletters/the-secret-irs-files?source=www.propublica.org&placement=top-note&region=national

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Defeat in Afghanistan a complete humiliation for the US

The United States' involvement in Afghanistan has ended in ignominy. China is likely to fare differently in its relations with its neighbouring country, writes *Martin Jacques*.

THE US is confronted with a historic defeat in Afghanistan at the hands of the Taliban. America's longest war, which began in 2001, is ending in complete humiliation.

This is Saigon in 1975 all over again, except the US withdrawal from Vietnam took place in 1972 and its puppet government managed to survive another three years. America's puppet government in Kabul has fallen only four months after the announcement in April that the US would withdraw. It tells us that the Kabul government, and the American occupation, had only a tiny sliver of popular support; the condition for the former's survival was America's troops and air force. In contrast, the Taliban clearly enjoys considerable backing amongst the people.

The last two decades have been disastrous for the US. The election of George W Bush in 2000 was supposed to mark, according to its neo-conservative doctrine, the beginning of a new American century and the continuation of the US' unipolar moment following the end of the Cold War. Instead, it led to the humiliating defeats in Iraq and Afghanistan followed in 2008 by the worst financial crisis since 1931. By the time of Bush's departure in 2008, unipolarity was effectively dead and America's reputation for military prowess had been undermined.

America is now widely seen as a superpower in rapid decline, a pale shadow of what it once was. Its defeat in Afghanistan will have major implications across the world. It brings into question the competence of its political and military leadership, its willingness to engage in further military entanglements, and its reliability and commitment as an ally. If it can make such a huge miscalculation and suffer such a catastrophic defeat in Afghanistan, then who is going to trust its judgement in East Asia or the South China Sea?

The United States' defeat in Afghanistan will have major implications across the world.

Military power has been fundamental to America's global role since 1945. It played a key role in undermining the Soviet Union during the Cold War. America has long believed that overweening military strength was the primary factor in enabling it to get its way in the world. That is why its military expenditure has been far greater than that of any other country.

The first great setback to this philosophy was Vietnam. Now we have the examples of Iraq and Afghanistan. In each of these cases, America enjoyed a massive military advantage, but in the circumstances, it proved entirely inadequate. The key was to win over the people, and military superiority could not win hearts and minds, the contrary in fact.

The US, of course, is not alone in having failed to conquer Afghanistan. Down the ages, many foreign powers have tried, including Britain and the Soviet Union. There has been speculation in the West that perhaps China might try its hand next. The chances of China being so stupid are zero.

In fact, nothing better illustrates the fundamental difference between China and the US than their approaches to Afghanistan. The US sought to subdue the country overwhelmingly by force. It offered precious little else. There was no serious attempt to foster economic growth in a desperately poor country. China's approach, in contrast, will be completely different. There will be no military involvement; the People's Liberation Army will have no role. China, in the longer term, will attach the greatest importance to how it can assist in the economic development of the country, just as it has done in Africa, Latin America and South-East Asia.

Development has been the calling card of China. It lies at the heart of the Belt and Road Initiative. The fact that China has been a developing country since 1949 gives it an understanding of, and empathy with, the problems of the developing world. The US, as a rich society, has little comprehension of, or interest in, their problems.

China will have another overriding concern. While the US has spent 20 years waging a war in Afghanistan that has sown profound divisions and instability in a country and a region that is over 11,000 kilometres away, China's interest is the opposite. As a country that shares a border with Afghanistan, it will seek to bring stability to the country and to the wider region, not least because this also has implications for the situation in Xinjiang. Above all, China understands that instability and war are the enemy of economic development.

The fundamental difference in the approaches of China and the US has, of course, much deeper historical roots. The credo of America ever since its birth has been expansion – across its own continent, the Pacific and, since 1945, across the whole world, with nearly 800 military bases in over 70 countries. In contrast, China has no such history and has never regarded military power as paramount. While the US has pursued global expansion, China has prioritised its own stability and development. ◆

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Sanders speaks out against 'dangerous' chorus pushing for new Cold War with China

US Senator Bernie Sanders has called on Washington to pursue more cooperation, not confrontation, with China to tackle shared global challenges and develop a mutually beneficial relationship.

Brett Wilkins

FOLLOWING US President Joe Biden's attempt to use the recent G7 summit as a tool for building an anti-China consensus, US Senator Bernie Sanders on 17 June published an article in *Foreign Affairs* imploring US leaders: 'Don't start another Cold War.'

'The unprecedented global challenges that the United States faces today – climate change, pandemics, nuclear proliferation, massive economic inequality, terrorism, corruption, authoritarianism – are shared global challenges,' writes Sanders. 'They cannot be solved by any one country acting alone. They require increased international cooperation – including with China, the most populous country on Earth.'

'It is distressing and dangerous, therefore, that a fast-growing consensus is emerging in Washington that views the US-Chinese relationship as a zero-sum economic and military struggle,' he says. 'The prevalence of this view will create a political environment in which the cooperation that the world desperately needs will be increasingly difficult to achieve.'

'It is distressing and dangerous ... that a fast-growing consensus is emerging in Washington that views the US-Chinese relationship as a zero-sum economic and military struggle.'

Pendulum swing

Whereas 20 years ago US political and business leaders courted China, Sanders writes, 'the pendulum of conventional wisdom in Washington has now swung from being far too optimistic about the opportunities presented by unfettered trade with China to being far too hawkish about the threats posed by the richer, stronger, more authoritarian China that has been one result of that increased trade.'

'Now, instead of extolling the virtues of free trade and openness toward China, the establishment beats the drums for a new Cold War, casting China as an existential threat to the United States,' he says. 'We are already hearing politicians and representatives of the military-industrial complex using this as the latest pretext for larger and larger defense budgets.'

'The Chinese government is surely guilty of many policies and practices that I oppose and that all Americans should oppose: the theft of technology, the suppression of workers' rights and the press, the repression taking place in Tibet and Hong Kong, Beijing's threatening behavior toward Taiwan, and the Chinese government's atrocious policies toward the Uyghur people,' writes Sanders.

However, the senator asserts that 'organizing our foreign policy around a zero-sum global confrontation with China ... will fail to produce better Chinese behavior and be politically dangerous and strategically counterproductive.'

Sanders continues: 'The rush to confront China has a very recent precedent: the global "War on Terror." In the wake of the 9/11 attacks, the

American political establishment quickly concluded that anti-terrorism had to become the overriding focus of US foreign policy. Almost two decades and $6 trillion later, it's become clear that national unity was exploited to launch a series of endless wars that proved enormously costly in human, economic, and strategic terms and that gave rise to xenophobia and bigotry in US politics – the brunt of it borne by American Muslim and Arab communities.'

'It is no surprise that today, in a climate of relentless fearmongering about China, the country is experiencing an increase in anti-Asian hate crimes,' Sanders writes. 'Right now, the United States is more divided than it has been in recent history. But the experience of the last two decades should have shown us that Americans must resist the temptation to try to forge national unity through hostility and fear.'

'Creating true security and prosperity for working people in the United States and China alike demands building a more equitable global system that prioritizes human needs over corporate greed and militarism,' asserts Sanders. 'In the United States, handing billions more in taxpayer dollars to corporations and the Pentagon while inflaming bigotry will not serve these goals.'

'The growing bipartisan push for a confrontation with China will set back those goals and risks empowering authoritarian, ultra-nationalistic forces in both countries,' says Sanders. 'It will also deflect attention from the shared common interests the two countries have in combating truly existential threats such as climate change, pandemics, and the destruction that a nuclear war would bring.'

'Developing a mutually beneficial relationship with China will not be easy,' he concludes. 'But we can do better than a new Cold War.' ◆

Brett Wilkins is a staff writer with Common Dreams (www.commondreams.org), from which this article is reproduced.

Eisenhower rejected US military chiefs' demand for nuclear war on China – classified document

Amid current tensions between Washington and Beijing, a leaked document reveals that the US military top brass had pushed for nuclear strikes against China more than 60 years ago.

Reproduced from The Grayzone

Gareth Porter

A PREVIOUSLY censored account of the 1958 Taiwan Strait crisis that was sponsored by the Pentagon has been published in full by the leaker of the Pentagon Papers, Daniel Ellsberg. The report provides a hair-raising portrait of a reckless US military leadership relentlessly pressing President Dwight Eisenhower for the authority to carry out nuclear attacks on Communist China.

After holding the still-classified version of the account in his possession for 50 years, Ellsberg said he decided to release it because of the growing threat of US war with China over Taiwan, and the danger that such a conflict could escalate into a nuclear exchange.

A 22 May *New York Times* report on the account offered only general details of the role the US Joint Chiefs of Staff played in the run-up to the 1958 Taiwan crisis. However, it is now clear from the original highly classified documents as well as other evidence now available that from the beginning, the Joint Chiefs aimed first and foremost to exploit the tensions to carry out nuclear strikes against Chinese nuclear military targets deep in highly populated areas.

Chiang Kai-shek's nationalist Kuomintang regime and the Joint Chiefs were allies in wanting to embroil the United States in a war with China.

US Deputy Secretary of State Christian Herter feared that the Nationalist regime was determined to drag the US into conflict, according to the Pentagon-sponsored account. The reason, according to the author of the account, Morton Halperin, was that involving the United States in a war with the Chinese Communists 'was clearly their only hope for a return to the mainland'.

Quemoy and Matsu, the two main offshore islands occupied by Nationalist troops, were less than five miles from mainland China and had been used by Chiang's forces as bases to mount unsuccessful commando raids inside the mainland. And Chiang, who was still committed to reconquering the mainland with the ostensible support of the United States, had stationed a third of his 350,000-man army on those two islands.

In May 1958, the Joint Chiefs adopted a new plan (OPS PLAN 25-58) ostensibly for the defence of the offshore islands. In fact, the plan provided a basis for attacking China with atomic weapons.

It was to begin with a brief preliminary 'Phase I', which it called 'patrol and reconnaissance' and was said to be already underway. 'Phase II', which would have been triggered by a Chinese attack on the offshore islands, would involve US air forces wiping out the attacking forces.

But the new plan envisioned a possible third phase, in which the Strategic Air Command and forces under the command of the US Pacific Command would carry out strategic attacks with 10 to 15 kiloton tactical nuclear weapons 'to destroy the war-making capability' of China.

According to the account authored by Halperin, the Chairman of the Joint Chiefs, Air Force Gen. Nathan Twining, told US State Department officials in an August meeting that the third phase would require nuclear strikes on Chinese bases as far north as Shanghai.

Chiang Kai-shek's nationalist Kuomintang regime and the Joint Chiefs were allies in wanting to embroil the United States in a war with China.

The Joint Chiefs played down the threat to civilian casualties from such tactical atomic weapons, emphasising that an airburst of tactical atomic explosions would generate little radioactive fallout. But the account indicates that they provided no concrete information on expected civilian casualties.

Given the fact that both the Chinese gun emplacements across the Taiwan Strait and a key airbase serving the Chinese military forces in any conflict over the offshore islands would have been located close to significant population centres, such atomic explosions would have certainly caused civilian casualties on a massive scale.

The Joint Chiefs did not acknowledge that the bombs they planned to detonate with airbursts would have had the same potential lethality as the bomb dropped on Hiroshima. Nor would they concede that the targets of such bombings were located in the immediate vicinity of Chinese cities that had roughly the same population as Hiroshima.

The city of Xiamen, for example, was close to military targets in the Amoy area, while Ningbo was close to the main Chinese airbase in Zhejiang province that would have been attacked by US forces. Like the Hiroshima bomb, the nuclear explosions would have been triggered in the air, where blast damage is greatest, destroying or damaging nearly everything within a radius of three miles from the blast, killing much of the population.

The Joint Chiefs also assumed that China would respond to the US use of atomic weapons by retaliating with atomic weapons, which the Joint Chiefs presumed would be made available to the Chinese government by the Soviet Union.

The Halperin report recounts that Twining told State Department officials that the bombing of the intended targets with tactical nuclear weapons 'almost certainly would involve nuclear retaliation against Taiwan and possibly against Okinawa…'. That assumption was based on a Special National Intelligence Estimate that had been issued on 22 July 1958. The estimate had concluded that, if the US 'launched nuclear strikes deep into Communist China,' the Chinese would 'almost certainly' respond with nuclear weapons.

Despite the acceptance of the likelihood that it would lead to nuclear retaliation by China, JCS Chairman Twining expressed no hesitation about the plan, asserting that in order to defend the offshore islands, 'the consequences had to be accepted'.

The Joint Chiefs seek to appropriate war powers

The Joint Chiefs' plan betrayed the military chiefs' hope of removing the power of decision over nuclear war from the hands of the president. It said the plan would be put into operation when 'dictated by appropriate US authority' – implying that it would not necessarily be decided by the president.

In his own memoirs, Eisenhower recalled with some bitterness how, during the 1958 crisis, he was 'continuously pressured – almost hounded – by Chiang on one side and by our own military on other requesting delegation of authority for immediate action on Formosa [Taiwan] or the offshore islands…'. He did not refer, however, to the efforts by the Joint Chiefs to gain advance authorisation for the use of nuclear weapons on the Chinese mainland.

The Joint Chiefs' plan betrayed the military chiefs' hope of removing the power of decision over nuclear war from the hands of the president.

The wording of the JCS plan was changed to read 'when authorized by the President' at Eisenhower's insistence to provide that only conventional means could be used at least initially for defence of the islands, while leaving open the possibility of using tactical nuclear weapons if that failed.

But the Joint Chiefs were not finished. In a paper presented to Eisenhower on 6 September, the chiefs proposed that they be authorised to 'oppose any major attack on Taiwan and attack mainland bases with all CINPAC force that can be brought to bear' in the event of 'an emergency arising from an attack on Taiwan and the offshore islands moving so rapidly that it would not permit consultations with the President…'.

Further, they asked for the authority to respond to a 'major landing attack on offshore islands,' by '[u]se of atomic weapons and US air attack in support of [Chinese Nationalist] Air Force … as necessary, only as approved by the President.' Eisenhower approved the paper with those qualifiers.

When Secretary of State John Foster Dulles warned that Japan would object strongly to using nuclear weapons against the Chinese mainland and forbid the launching of nuclear weapons from their territory, Chief of Naval Operations Admiral Arleigh Burke suggested that the opposition to nuclear weapons in Japan was 'inspired by the Communists', and that foreign leaders would soon recognise that the use of nuclear weapons by the US 'was in their interests'.

Burke closed his argument by claiming that if the US did not maintain the threat of tactical nuclear weapons in conflicts, it would 'lose the entire world within three years'. That obviously absurd argument suggests that the intense desire among the Joint Chiefs to use nuclear weapons against China was less motivated by any threat from Communist Chinese than by their own institutional interests.

In pre-Cold War Washington, the US Navy served as the primary bureaucratic ally of the Kuomintang regime. The relationship was forged when Chiang provided the Navy with the home base for its 7th Fleet at Tsingtao in Northern China.

Navy brass in the Pacific had urged unconditional support for Chiang's regime during the civil war with the Communists and derided as 'pinkies' those State Department officials – beginning with Secretary George C. Marshall – who entertained any doubts about the Kuomintang leader.

By 1958, the Air Force was so strongly committed to its role as an exclusively nuclear-weapons delivery organisation that it insisted on being able to use nuclear weapons in any war it fought in the Pacific region.

The account of the crisis reveals that, when the Air Force Commander in the Pacific, Gen. Lawrence S. Kuter, learned of Eisenhower's decision to defend the offshore islands with conventional weapons, he relayed the message to Gen. John Gerhart, the Air Force Deputy Chief of Staff. Shockingly, Gerhart responded that the Air Force 'could not agree in principle' to the use of Strategic Air Command forces for such non-nuclear operations.

Beyond the desire of the Navy and Air Force chiefs to ensure their long-term presence and reinforce the importance of their respective roles in the Pacific, the Joint Chiefs of Staff have always aspired to maximise their influence over US policy in any conflict where the US might use military force.

It turned out that the Chinese never intended full-scale war over the offshore islands. Instead, they sought to mount a blockade of resupply to the islands through artillery barrages, and when the US military provided armed escorts for the ships carrying out the resupply, they were careful to avoid hitting American ships.

As the Halperin report observed, once the Chinese recognised that a blockade could not prevent the resupply, they settled for symbolic artillery attacks on Quemoy, which were limited to every other day.

It was the eagerness of the Joint Chiefs for a nuclear war against China, rather than the policy of Communist China, that presented the most serious threat to American security.

Although the circumstances surrounding the US-China conflict over Taiwan have changed dramatically since that stage of the Cold War, the 1958 Taiwan crisis provides a sobering lesson as the US military gears up for a new military confrontation with China. ◆

Gareth Porter is an independent investigative journalist who has covered US national security policy since 2005 and was the recipient of the Gellhorn Prize for Journalism in 2012. His most recent book is The CIA Insider's Guide to the Iran Crisis*, co-authored with John Kiriakou, just published in February. The above article first appeared in The Grayzone (thegrayzone.com).*

WORLD AFFAIRS

Ethiopian political conflict gives rise to civil war

The conflict in the Tigray region of Ethiopia is exacting a grim toll in death and displacement. *Hannah Alexander* examines the background to the ongoing strife.

ATTACKS between the Ethiopian government and the Tigray People's Liberation Front (TPLF), a political party established in the north Ethiopian region of Tigray, are growing into an increasingly dangerous civil war.

The conflict began to unfold when Abiy Ahmed became Prime Minister of the Federal Democratic Republic of Ethiopia in 2018. Four ethnic-based parties make up the ruling system in Ethiopia, with the TPLF being the most powerful. Ahmed intends to unite the country by creating one sole national party called the Prosperity Party, but some groups, including the TPLF, ruled against joining. The conflict heightened when the TPLF criticised Ahmed's governance and attacked a government military base. Ahmed retaliated with military force.

Ahmed's drive for peace and plans for unity are what brought him successfully to office. Ethiopia is divided into 10 regions, each representing a different ethnic group. For many years, Tigray was in conflict with their neighbouring country, Eritrea. As a new governor eager for peace, Ahmed successfully reconciled with the Eritrean government, which, in 2019, earned him a Nobel Peace Prize.

Ahmed is known as the prime minister eager to make peaceful change in Ethiopia and provide security for civilians. The prime minister is driven to disband the TPLF and rebuild Tigray as a conflict-free region united with the rest of Ethiopia. In support of this, he has successfully removed some of the TPLF's members on counts of abuse of power and corruption, but this has only furthered the battle and driven the TPLF to retaliate. Using military force will likely not solve the conflict. CNBC reported that the conflict has shut down factories and mining sites, causing the Ethiopian economy to lose approximately $20 million a month. While Ahmed is driven to bring Ethiopia to peace, this conflict is increasingly harmful to the country's health.

Eritrea has provided support to Ethiopia in the form of troops and humanitarian aid. In its partnership with Ethiopia, the Eritrean government clothed, fed and armed soldiers to prepare for battle. Ahmed confirmed that Eritrea's help allowed his soldiers to continue fighting. Recently, however, Eritrea made the decision to remove its forces.

Though no powerful countries have intervened with force, they have appealed for peace. The international community is urging the Ethiopian government and the TPLF to make amends in order to maintain the economy and save civilians from harm. United States senators have expressed concern over the humanitarian crisis and have urged the US to increase its involvement in helping Ethiopia regain peace. Egypt and Sudan have similarly urged Ethiopia to find a non-military solution. Rather than sending military forces, which will escalate the matter, powerful countries are increasing international pressure on Prime Minister Ahmed to employ a non-violent solution.

These efforts have had limited success in bringing Ethiopia to peace. Ahmed's position in this conflict remains unchanged, and he continues to use military force. By November 2020, the Ethiopian military had reached Mekelle, Tigray's capital. After a heavy shower of bullets, Ahmed announced his victory against the TPLF and declared that government militia would begin searching for and arresting the Front's leaders. Many hoped this would soon allow for peace, but the TPLF refused defeat and continued its attacks towards the Ethiopian government.

Ahmed's response to the TPLF fails to account for its consequences on Ethiopia's people. According to *The Washington Post*, as of November 2020, hundreds of people had died and more than 33,000 Ethiopians had fled to Sudan to escape the armed conflict. Families have been forced to leave their homes in search of safety. Civilians in Ethiopia are eager for goodwill and unity, and Ahmed's peaceful view of the future gave them hope for a non-violent prospect. Ahmed's decision to use military force against the TPLF is a contradiction – he believes in peaceful resolution, but has acted to cause harm.

The conflict has put 4.5 million civilians, more than half of Tigray's population, in critical need of humanitarian assistance.

In addition to the families who have fled to Sudan, the conflict has generated a vast humanitarian crisis. According to *The New York Times*, the conflict has put 4.5 million civilians, more than half of Tigray's population, in critical need of humanitarian assistance. The battle has more consequences for

Ethiopians than displacement and death. There have also been allegations of human rights abuses, namely sexual assaults and attacks on refugee camps. According to a UN News report, from December to January, more than 136 cases of rape were recorded. Many more have likely gone unreported. *The New York Times* elaborated on the brutality, describing how militants are targeting Tigrayan women to prevent the birth of more Tigrayan people. One story involved a young Ethiopian girl who refused rape, resulting in seven gunshot wounds.

Ethiopia's human rights and security are being stripped away. Along with the constant violence and death, the rising rates of abuse, looting and murder of innocent civilians will only continue to grow if the conflict does not conclude. This battle must come to a peaceful conclusion.

Ahmed should have addressed the conflict with a peaceful mindset from the start. However, it is not too late to follow international pressure and create peace with Tigray.

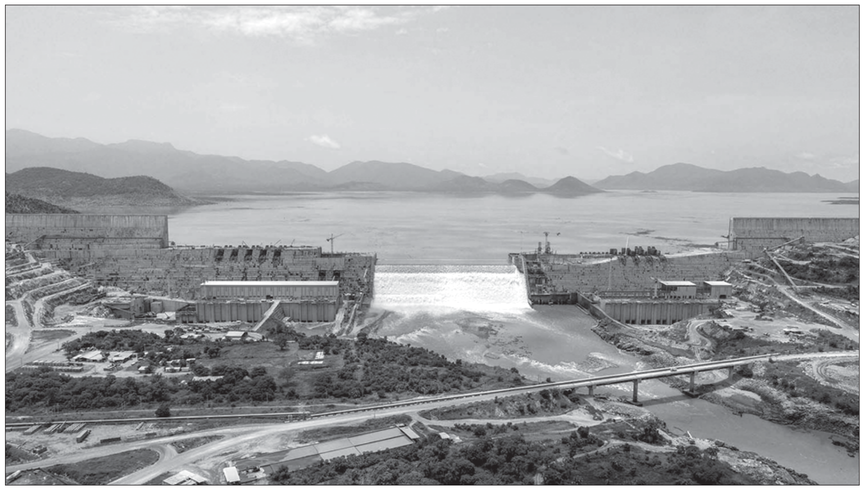
The TPLF originally decided not to join Ahmed's prosperity plan because they believed it would decrease their autonomy and take control away from the regions. An agreement to ensure that they continue to hold some power in Ethiopia may de-escalate the crisis. Compromise between the TPLF and the Ethiopian government would solve the root cause of the conflict, thereby resolving the humanitarian consequences. If a peaceful political solution is not reached, the battle for power between Tigray and the Ethiopian government will only continue to intensify. ◆

Hannah Alexander is currently volunteering as a correspondent for the Organization for World Peace, from whose website this article is reproduced (theowp.org). She is a student at Wilfrid Laurier University, studying communications and business management with a concentration in global communications. With a passion to advocate for equality, human rights and addressing climate change, Hannah explores peaceful solutions to global concerns.

Joy and worry on the Nile

Ethiopia's building of a dam on the Nile is raising fears of water shortages among Egyptians, for whom the river is the lifeblood of their country.

Dina Ezzat



The Grand Ethiopian Renaissance Dam on the Nile.

IT is a pleasant late spring evening in Cairo, and Badr Mounir and Mohamed Islam have decided to enjoy it by the Manial Bridge that connects the Corniche Al-Nil to the island of Manial Al-Roda.

They come from the far end of eastern Cairo, and these two Arabic teachers, 58 and 35 years old, are planning a long fishing session starting an hour after sunset and lasting until the early hours of dawn. With their cars parked on the old bridge, they briefly leave their fishing lines in place to fix themselves a cup of tea or a bottle of water.

They sit there quietly next to a line of fishermen who barely know one another. They share a few words about fishing, the city and the Nile.

'We don't know one another, at least not really. I mean some people might have met before on this or some other bridge while fishing, but this is our bonding connection – the banks of the Nile,' Badr said.

Badr first picked up his fishing skills at the age of 15 from a late maternal uncle who was as in love with the Nile as with fishing. 'There is something about fishing and about the Nile that helps one to let go of pressures and worries,' he said.

For over 40 years, Badr has fished at every possible spot accessible on the banks of the Nile in Greater Cairo, including Giza and Qalioubiya. Throughout these fishing sessions he has established long-lasting friendships. And he has mentored some beginners who were also coming to the banks of the Nile for tranquility. He also continues to make new friendships.

'People always come to the Nile, and when they do, they are so relaxed that they feel they know one another. I think it makes sense because life in Cairo is all about the Nile. It is the heart and soul of the city,' Islam said.

On this mid-May evening, both Badr and Islam are sharing worries over the possible consequences that the Grand Ethiopian Renaissance Dam (GERD) that Ethiopia is building on the Blue Nile could have on the Nile in Cairo. They said they were confident that 'Egypt will be able to defend the Nile,' but they wanted to see a prompt and fair end to a debate that is 'haunting every Egyptian'.

'Who would not worry about the Nile? What is Cairo without the Nile? What is Egypt without the Nile?' Islam asked.

On 11 May, Egyptian President Abdel-Fattah Al-Sisi in a fresh round of remarks over the GERD dispute said that it was 'perfectly legitimate for Egyptians to be worried' about the dam issue. But he added that Egypt's water 'rights will not be compromised.'

Earlier in May during talks with the president of the Democratic Republic of Congo (DRC), the current chair of the African Union (AU), Felix Tshisekedi, and with US Envoy to the Horn of Africa Jeffery Feltman, Al-Sisi reiterated the same message on his determination to uphold all of Egypt's water rights.

At his business on the Nile in Garden City in Cairo, Mohamed Dokdok, the third-generation chief of a successful felucca business, had no doubt that 'somehow things will be worked out'.

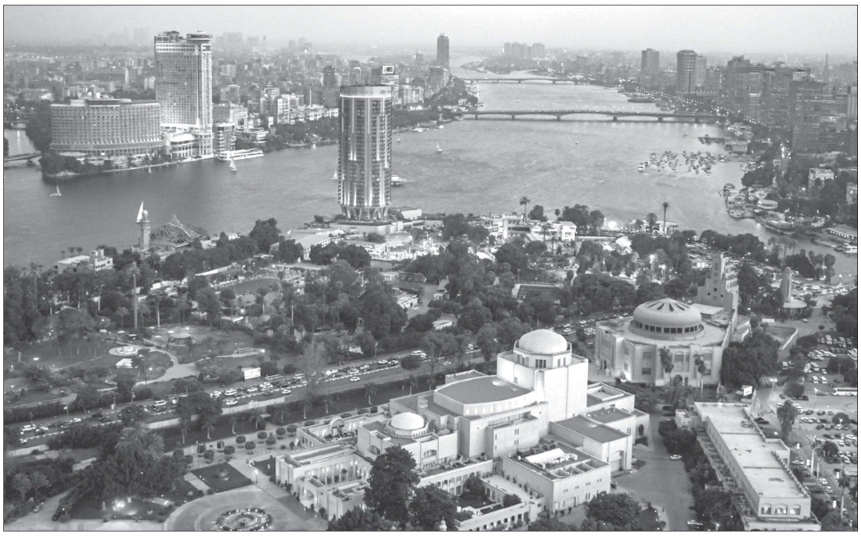
'I know that we are having a big problem, but I also know that for Egypt the Nile is a very serious matter,' he said.

His felucca business has been in the Dokdok family for over a century. His grandfather launched it with a couple of boats and managed with the help of his sons and grandsons to turn it into the most reputable name in the business today.

'For over a century, we have been living off the generosity of the Nile. In high seasons and in low seasons, we always manage to float with the water and the wind,' Dokdok said.

He recalled better and worse days in the business that came with the 'peak of terrorism in Egypt' and later with the decline of tourism and the economy throughout a decade of political and economic changes ending more recently with the COVID-19 pandemic.

'The Nile is a source of fascination for Egyptians, not just for those who live in Cairo, but for



The Nile River flowing through Cairo. 'What is Cairo without the Nile? What is Egypt without the Nile?'

everyone really. It is also fascinating for foreigners, and this is how the name Dokdok became a celebrity name,' he said.

Dokdok is now following closely the news of the GERD dispute with a sense of unease. 'I can't think of what might happen were the Ethiopians to try to block the flow of the Nile. I am not thinking of my business, because we know how to float our boats even in droughts. I am worried about the livelihood of this country – irrigation, drinking water and everything,' he said.

Debate on the GERD

The amount of water that Ethiopia could block in the mega-reservoir of the GERD during droughts has been among the key disputed points of the GERD negotiations, launched after Egypt and Sudan, the two downstream countries, signed a Declaration of Principles (DOP) with Ethiopia in the spring of 2015.

The DOP granted Ethiopia the consent of the downstream countries to the construction of the dam with a reservoir capacity of close to 75 billion cubic metres (bcm) of water. In return, it demanded that Ethiopia should not inflict any grave harm on the downstream countries.

'The idea behind the DOP was to end the dispute amicably – to allow Ethiopia to build the dam that would help it overcome its electricity shortage in pursuit of development and to make sure at the same time that Sudan and Egypt did not suffer grave water shortages as a result of either the filling or the operation of the new dam,' commented an Egyptian government source on board during the signing of the DOP.

The three countries have since been engaged in three-way talks in the pursuit of a deal on the filling and operation of the GERD. Having failed to secure an agreement prior to the anticipated first filling of the GERD towards the end of 2019, Egypt requested the mediation of the US.

At the beginning of 2020, Washington-sponsored talks produced an agreement that was shrugged off by Ethiopia, which absented itself from the last session of the negotiations. Egypt initialled the agreement, while Sudan declined to join on a deal that Ethiopia had declined.

In June 2020, shortly before the beginning of the wet season, Egypt managed to secure a UN Security Council session to discuss the GERD. It demanded that the council call on Ethiopia to refrain from the first filling of the GERD prior to an agreement. But the council only called on the AU, then under the chairmanship of South Africa, to take charge of negotiations that could lead to an agreement.

In the absence of an agreement, Ethiopia then unilaterally executed the first filling of the GERD reservoir and announced that the Nile was 'now Ethiopian'. The first filling came in at under 5 bcm during a good rainy season. Ethiopians, who had been dreaming of the day the GERD would start the filling in anticipation of an end to electricity shortages, rejoiced. Sudanese and Egyptians were apprehensive.

Worries

Seated on a bench on the banks of the Nile at the entrance to the Cairo suburb of Maadi to wait for the sunset and Iftar with a couple of friends on a mid-May Ramadan day, Hassan Ahmed, a civil servant in his early 30s, said that he was worried that a year down the road Ethiopia would 'continue to snub everyone'.

Once a week in Ramadan, Ahmed comes to have his Iftar by the Nile at the Corniche Al-Maadi, which he holds to be the prettiest spot on the banks of the Nile in all of Cairo, including the Helwan neighbourhood. Following the news of the GERD dispute, he said he was worried that the banks of the Nile would not look the same when his toddler daughter was old enough to enjoy the view and have a simple and serene Iftar on the Nile.

'Yasmine is now two years old. I am not sure how the Nile will look in five or six years when she is seven or eight. I am not sure that we can take a family photograph similar to the one I have with my parents as a child or to the one that Noha and I had when we came here for a walk after our engagement,' Ahmed said, referring to his wife.

'[Ethiopia] says the second filling is going to happen this summer – in a few weeks – and that they are going to reserve a lot more water than they did last year. So, who knows what will happen in five to six years,' he added.

Ethiopian officials are determined that the second filling of close to 15 bcm will happen in mid-July this year, again without the agreement that the downstream countries are insisting on. This has been the case despite the extensive political pressure that Cairo, now with the help of Khartoum that has lost faith in the good intentions of Addis Ababa, has been exerting.

But as a result of the diplomatic pressure of both Sudan and Egypt, Ethiopia has agreed for the first time to allow experts from both downstream countries to be present during the second filling for a technical overview. It has also agreed to pace the second filling for a longer period than the first to accommodate the worry of Khartoum that another and bigger reservation of water will harm its Rosairas Dam in the south of the country near to the reservoir of the GERD.

Neither Khartoum nor Cairo has been impressed, however. Instead, they insist that they want a legally binding agreement that will specify the filling procedures during drought and extended drought seasons, set up a dispute-settlement mechanism, and rule out any further unilateral acts by Ethiopia. Addis Ababa has shrugged off these demands.

'It is a tough situation, but we will keep up the pressure. I think we are getting a lot more attention from the world today,' commented one Egyptian diplomatic source.

Egypt has also asked for further mediation by the new Biden administration in the US. In an article amounting to an open letter in the US journal *Foreign Policy* in April, Egypt's ambassador to the US Moataz Zahran highlighted the need for Washington to act promptly to save the GERD negotiations from hitting an impasse that could undermine regional and international stability.

He warned against the impact of Ethiopia's plans to unilaterally execute the second filling of the GERD in the summer without a legally binding agreement with the downstream countries on the River Nile. And he urged the Biden administration to revive the faltering GERD talks and to put into effect an equitable solution for the three countries concerned.

A water desalination plant in Egypt. The country is already close to 20 billion cubic metres short on its essential water resources despite the government's water desalination and water-saving programmes.

The article coincided with a visit by Feltman, who toured the three countries and reiterated the US commitment to a fair diplomatic exit from the crisis.

According to informed Egyptian and Western diplomatic sources, the US is determined to give a push to the DRC-sponsored talks in the coming weeks in the hope of 'at least reaching an agreement on the second filling'.

But a partial agreement to be followed by a comprehensive agreement is something that Egypt and Sudan would only accept under tight conditions. 'We cannot go for anything that would not guarantee our right to a legally binding agreement that will not compromise our water rights, especially as ours is a country that is already suffering from water poverty,' said the Egyptian diplomatic source.

Water rights

Egypt is already close to 20 bcm short on its essential water resources despite plans the government has been executing to introduce water-saving technology for all irrigation and industrial purposes and water desalination to allow the governorates of the Nile Valley to reduce their dependence on the Nile.

'We are working on two parallel tracks – improving our water efficiency and negotiating for a fair deal that will not aggravate water shortages in drought and high drought seasons that could be coming in five to seven years,' said a consultant to the Ministry of Irrigation.

Before the end of May, a new round of AU-sponsored negotiations should convene in Kinshasa. 'This time, we are hoping for a more thorough and more effective US intervention,' the Egyptian diplomatic source said.

According to Ayman Abdel-Wahab, a senior water resources expert at Al-Ahram Centre for Political and Strategic Studies, 'the window of opportunity for a diplomatic exit over the water dispute is getting very narrow'.

'The second filling of the GERD is almost triple the first filling, and it will simply create a new reality that could put Egypt's rights to the Nile water at a great disadvantage. This is not something that the Egyptian authorities could accept,' he said.

According to Amany Al-Tawil, a senior African affairs expert at the centre, the time might be coming when the authorities in Egypt will have to start pulling back the 'accommodation policy they have adopted' over the past five years.

'Egypt cannot compromise on its water rights. This is about basic survival,' Al-Tawil said. ◆

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The media is an accomplice in erasing Palestinian life

In the narrative around the Israeli occupation, the Palestinians are required to display their suffering for their humanity to have a chance at plausibility.

Mary Turfah

THE late Palestinian scholar and activist Edward Said wrote in 1996 that the phrase 'complex situation' 'too often is a rhetorical signal given before a lie is to be pronounced, or when a grave and immoral complicity with injustice is about to be covered up.' Both-sides-ism appears often: we saw it in Charlottesville in 2017 as Trump declared 'good people on both sides'. We saw it on 4 May 2021 when Mississippi police killed a father and his baby boy, then referred to the father's 'murder suspect' status and contorted a baby into a 'juvenile' to obfuscate blame and undermine the gravity of the harm.

Edward Said was specifically targeting liberals' use of 'complex situation' in the above quote. Reading it, my mind went immediately to Palestine, a situation that, despite its constant portrayal as complex, is fundamentally one of occupier and occupied.

Saeed Odeh, 16, was killed by Israeli occupation forces.

It's as simple as this: in a video on my Twitter feed, Saeed Odeh's father huddles over his 16-year-old child's lifeless body, planting kiss after kiss on his face, sobbing. One of the men present with him, and then another, and another, rest their hands on the father's back, to comfort this friend or neighbour or – I don't know what these men are to each other, but in this moment they are each other's anchor. *Habibi habibi habibi*, the father says to his son, as the men remind him, so gently, to keep it together. One of them tells him there's time for one more *bawsi*, one more kiss goodbye.

Or this: Saeed's sister, a small girl with a messy ponytail, is crying in every photo I come across. In one image she holds a phone that is almost bigger than her forearm as she faces a poster of her brother. She is trying so desperately to hold on to this image of him, alive, even while I know she has seen his shrouded body, and she will never not remember this day. I wonder what memories will carry her through the days and years ahead.

We live in a world where certain people have to display their suffering for their humanity to have a chance at plausibility. And one where this humanity, granted by self-appointed gatekeepers, is a precondition for the legitimation of resistance against injustice. Saeed's family, like every family, should have the right to grieve in private. Neither I nor anyone else outside his community should know how this boy looks dead, or what this father sounds like when he cries.

In an occupying ethno-state, the occupier is ipso facto innocent. We have seen in Sheikh Jarrah Israeli forces form human shields to protect Jewish Zionist settlers as they assault the Palestinian inhabitants whose homes they are trying to occupy (via ethnic cleansing). And we have seen these same Israeli forces repress and attack the inhabitants of Sheikh Jarrah themselves.

Meanwhile the occupied are by default guilty – and less-than-human, as testifies the ease with which the occupier issues collective punishment and displaces and restricts rights. If Palestinians, when they suffer Israeli state-sanctioned terrorism, do not offer their bodies, their children's bodies, as evidence of the breadth of the injustice they face, their aggressors will have won twice. Stilling the life, then silencing its aftermath.

Circumstances dictate what details about a person warrant mention, and what we remember. Were Saeed to introduce himself, he might have said he was a footballer, played on his local team. Liked school or didn't, dreamed to be something more precise than alive in the future. I can't ask him, I don't know.

Instead, from news sources we learnt a 16-year-old boy named Saeed Odeh from Odalah, a village near Nablus, was shot twice in the back with live ammunition by Israeli forces. He was prevented from receiving medical care for 15 minutes at least. Another boy, who tried to help Saeed, was shot by soldiers and injured also. In a photo from the night her son died, Saeed's mother can be seen sitting in the passenger seat of a car, barely conscious. The funeral procession the next day stopped in front of Saeed's school, where rows of men prayed before his body, draped


Israeli security forces detain a Palestinian amid confrontations as Palestinian families face eviction in the Sheikh Jarrah neighbourhood of East Jerusalem.

with a Palestinian flag.

Erasure of Palestinian life, since before the mass expulsion of Palestinians from their homes in 1948, remains ongoing. This erasure is material: massacre-propelled ethnic cleansing, home demolition, carpet bombing.

And the erasure is also narrative, via social media censorship, as when Instagram and Facebook continue to mass-delete reporting on the violence in Sheikh Jarrah and Al-Aqsa.

As when *The New York Times* and other outlets referred to the ongoing forced expulsions of Sheikh Jarrah families from their homes as 'evictions', or when the Israeli Foreign Ministry referred to ethnic cleansing (gently termed 'Judaising', or preservation of Israel's 'Jewish character') as a 'real-estate dispute'.

As when *The Jerusalem Post* wrote a teenager had been shot in the midst of 'violent clashes', a favorite buzzword for both-sides-ism, and didn't so much as mention his name.

As when Israeli forces stormed Al-Aqsa mosque on 7 May 2021, using stun grenades and firing rubber bullets at close range with, as usual, intention to maim (at least one person was blinded, 200+ others wounded). They attacked worshippers, then attacked makeshift medical spaces where the injured were being treated, and media outlets and American officials called all of this what?

'Clashes.' A 'scuffle.' 'Confrontations.' 'Tensions.' A 'face off.'

As when Israeli forces attacked Al-Aqsa again on 10 May, throwing tear gas and stun grenades and firing rubber-coated bullets into one of Islam's holiest sites, this time injuring hundreds and killing at least one person inside the mosque, all while denying medics access to the wounded. Against 10,000 armed Israeli troops who attacked them in order to vacate the mosque during Ramadan for Jewish settlers celebrating Jerusalem Day, Palestinians had rocks to defend themselves and their holy space; still, the media insisted on 'clashes.' Reuters opened an article with the breathtakingly irrelevant line 'Palestinian protesters threw rocks and Israeli police fired stun grenades and rubber bullets in clashes outside the al-Aqsa mosque in Jerusalem on Monday as Israel marked the anniversary of its capture of parts of the city in the 1967 Arab-Israeli war.' Opening with Palestinians first (as 'protesters' rather than 'civilians') to imply cause-and-effect in the wrong direction? Wedging a historical moment in to suggest ideological – Arab vs Israeli – rather than immediately material – police attacking civilians – cause of the violence? Writing in the title that violence 'erupted' – another both-sides-ism favourite – as though the violence wasn't ongoing? All these framings imply two equal sides, and obscure the gross power imbalance systems rooted in supremacy necessitate by definition.

The erasure is also of memory. I have watched clips of Palestinian parents mourn over their children's bodies since I was a child. Enough time has passed that it is now easier to see myself in the parents. Israeli occupation forces killed a child on 6 May 2021. Israel has killed thousands of Palestinian children, deemed terrorists-in-the-making, disabled thousands of others. And it will continue to do so. As Saree Makdisi wrote, 'it is not possible for a settler-colonial regime to racially enable one people at the expense of another people without the use of violence'.

Part of Israel's propaganda is to reduce these children to faceless statistics, numbers obscuring personhood. The goal is not so much erasure of blame as of the victim in their entirety. As the numbers of injured and dead rise, the magnitude of the suffering somewhat paradoxically becomes harder to fathom, as the singularity of a life collapses into anonymity. This is why in the face of aggression these videos and images are invaluable: the reality of loss is each time and for each person specific, and it is heartbreaking, and it is unforgettable.

His name is Saeed Odeh. I will not write 'he loved life,' because that implies some of us do not. I will not write 'peaceful' because I have already written 'child', and because I want no part in systems that require some of us to qualify our existence or earn our humanity. I will tell you he was murdered. And I will tell you there will be no accountability, no consequences for those who, when the 'complexity' settles, killed a child. ◆

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Surviving genocide: A voice from colonial Namibia at the turn of the last century

The first genocide of the 20th century took place in 1904-08 in Namibia under German colonial rule. The two articles below examine different aspects surrounding this terrible event: the first, written in 2020, looks at a book released then that recounts the traumatic yet insightful experience of one genocide survivor, while the authors of the second article contend that Germany's recent official apology to Namibia for the genocide falls short of achieving genuine reconciliation between the two nations.

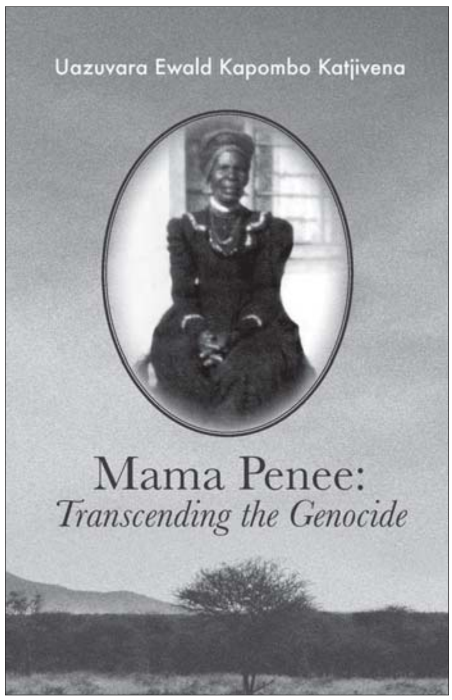
Heike Becker

GERMANY committed genocide in Africa 40 years before the Holocaust of the European Jews. In 1904 and 1905 the Ovaherero and Nama people of central and southern Namibia rose up against colonial rule and dispossession in what was then called German South West Africa. The revolt was brutally crushed. By 1908, 80% of the Ovaherero and 50% of the Nama had died of starvation and thirst, overwork and exposure to harsh climates.

The army drove survivors into the waterless Omaheke desert.Thousands more died in concentration camps.

For many historians this first genocide committed by Germany provided the template for the horrors that were to come 40 years later during the Holocaust of the European Jews. The philosopher Hannah Arendt, herself a Holocaust refugee from Germany, explained in 1951 that European imperialism played a crucial role in the development of Nazi totalitarianism and associated genocides.

We know very little about the experience of those who lived through this first systematic mass extinction of the 20th century. Forty-seven testimonies were recorded and published in 1918 in a scathing official British report about German colonial rule in Namibia, known as the Blue Book. One eyewitness remarked: 'Words cannot be found to relate what happened; it was too terrible.'



Following on an earlier Norwegian edition, a new book, *Mama Penee: Transcending the Genocide*, by Uazuvara Ewald Kapombo Katjivena, published by UNAM Press in Windhoek in February 2020, makes an extraordinary attempt to present the lived experience of the genocide.

Surviving a genocide

Katjivena, a former exiled Namibian liberation fighter until the country's independence from South Africa in 1990, tells his grandmother's story in a biography deeply infused with family and oral history. His grandmother, Jahohora, survived the genocide as an 11-year-old girl.

In the book's opening scene, young Jahohora witnesses her parents' murder at the hands of German colonial troops in 1904. Following this traumatic experience, she wanders into the veld. The young girl survives on her own, using skills that her mother had imparted to her, to scavenge from the environment. She traps rabbits and birds, eats berries and wild honey, and occasionally feasts on an ostrich egg.

The remaining connection with her parents is cruelly cut after she is caught and forced to work for a German farmer. During the 'civilising' washing and changing of her attire, her ceremonial Ovaherero headgear is cut into pieces and burnt by the farmer's wife.

The headgear was her mother's significant gift for the growing daughter just before the start of the hostilities in early 1904. Jahohora suffers deeply humiliating

This photo, taken during the 1904-08 period of German suppression of the Ovaherero and Nama people in what is now Namibia, shows a soldier *(far right)* supervising prisoners.

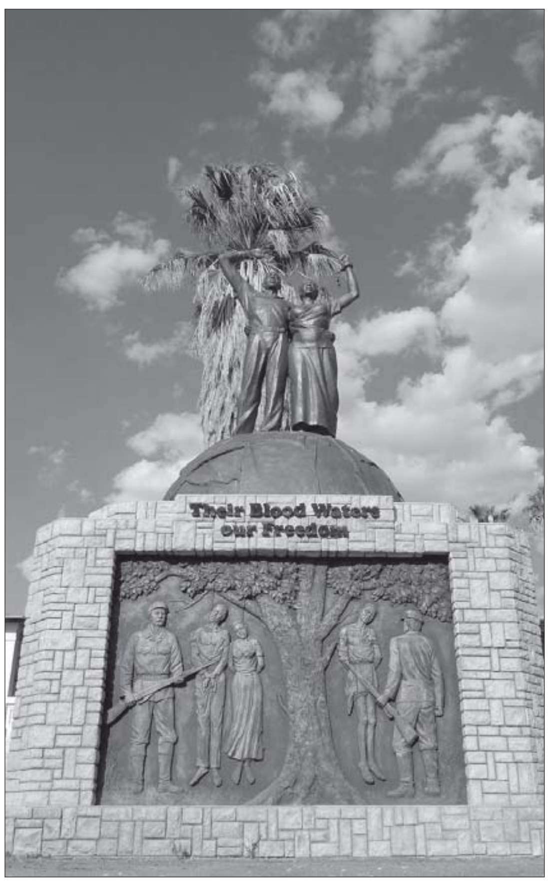
experiences.

Katjivena's grandmother was a remarkable woman of deep thought, insight and immense resolve. Her parents and grandparents belonged to a section of the Ovaherero called the Ovatjurure. They played a significant role in their communities by helping to maintain peace among families in the nearby homesteads and in the neighbouring villages.

Their daughter passed on this remarkable tradition to the children and grandchildren she brought up during Namibia's colonial era under Germany and South Africa.

Regaining agency

Katjivena intersperses Jahohora's personal perspective with historical facts. We read a detailed, chilling account of General Lothar von Trotha's extermination order of 2 October 1904. The oral history telling, however, also indicates instances of humanity during an entirely inhumane era.



The Genocide Memorial in Windhoek shows that the genocide has entered the public history narrative of Namibian nationhood.

Who were these white people, the survivor wondered. Why had some German soldiers saved her from certain death and given her a chance of life while their fellows had mercilessly killed her parents? As Jahohora meets other survivors and hears their stories, she begins to understand the genocide and especially the role of Von Trotha, who is locally known as *omuzepe* (the killer).

Katjivena's story looks simple, yet it exudes deep meaning. It turns the gaze onto the oppressors. The resisting gaze of the colonised, the cultural theorist Elizabeth Baer writes, is an act of self-creation. It 'begins to recognize and restore agency to the victims of imperialism'.

Transcending the genocide

The subtitle of Katjivena's book is 'Transcending the Genocide'. It adds a tremendous living voice to the symbolic commemorations of Germany's African genocide that have taken place over the past few years.

Importantly, human remains of genocide victims were repatriated from Germany to Namibia in 2011, 2014 and 2018. These had been shipped to academic and medical institutions in Germany, and had remained there until recently.

In 2019 some significant items of cultural memory, which had been stolen during colonial conquest, were returned to Namibia from the Linden Museum in Stuttgart.

These included the slain Nama leader Hendrik Witbooi's Bible and his riding whip.

In Windhoek a Genocide Memorial, built in 2014, signifies a noteworthy shift in post-colonial Namibian memory politics. The statue's North Korean aesthetics and symbolism remain controversial. That aside, the new monument shows that the genocide of the Ovaherero and Nama has belatedly entered the public history narrative of Namibian nationhood. This would have been impossible a few years earlier.

Reconciliation and reparations

On the political level, the German government finally acknowledged the colonial genocide in 2015. Ever since, Namibian and German envoys have been talking about an official apology by Germany.

Most controversial have been negotiations about reparations. Also controversial has been the role of the Ovaherero and Nama communities that were directly affected by the genocide. But in January 2020 Germany's new ambassador to Namibia, Herbert Beck, hinted that important political developments might be about to happen.

It is not clear yet where the complicated process of post-colonial reconciliation is going. Yet, with stories such as Katjivena's remarkable biography of his grandmother, the dead and the survivors of the colonial genocide are finally given a face. ◆

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Namibian genocide: Why Germany's bid to make amends isn't enough

Reinhart Kössler and Henning Melber

THE May 2021 'joint declaration' of the Namibian and German governments on dealing with the 1904-08 genocide marks the first time a former colonial power has officially offered an apology to another country for state-sponsored mass crimes.

The agreement stipulates that Germany will pay €1.1 billion for development projects in Namibia over the next 30 years.

Some pundits consider the accord a potential template for efforts towards post-colonial reconciliation for other former colonies and colonial powers.

We recognise that this is the first time that a former colonial power has admitted an historical injustice on a state-to-state level. But the negotiated compromise displays glaring shortcomings in being overly cautious to avoid any legal implications for Germany that may create a precedent. It also shows that the limited participation of representatives from the Namibian communities most affected by the genocide is hampering true reconciliation.

In our view bilateral agreements between governments – like this one – fall short of a true decolonisation of relations between people.

The history

The agreement is the result of protracted negotiations between Germany and Namibia. It builds on former pronouncements, such as the 2004 speech by the German Minister for Economic Cooperation, Heidemarie Wieczorek-Zeul, at the centennial of the battle at the Waterberg, which marked the beginning of the genocide. She acknowledged that what had happened was 'a war of extermination … today called genocide' before asking: 'forgive our trespasses and our guilt'.

More than a decade later, in mid-2015, the German Foreign Ministry conceded that the warfare in 1904-08 was tantamount to genocide. At the end of that year, bilateral negotiations between the two governments were initiated. But these kept on hitting stumbling blocks.

Wary of possible far-reaching legal obligations, Germany wanted to negotiate the format of its apology to Namibia. It was also reluctant to use the term 'genocide'. It has always refused to accept the term 'reparations'.

A few years earlier, in 2011, some initial progress had been made in addressing the colonial atrocities with the first return of human remains from Berlin to Namibia of the victims of the genocide. The skulls and other human body parts had been taken to colonial Germany for anthropological anatomical studies that later contributed towards Nazi 'race science'.

Subsequently, many more opportunities for meaningful reconciliation were missed.

The fear of potential legal implications of any agreement, and the precedent that might create for Germany and other former colonial powers, looms large. They fear opening the door for reparations.

From a German perspective, this also includes pending claims by Greece, Italy and Poland for compensation for mass atrocities committed by German soldiers from World War II.

The recent compromise negotiated by Germany and Namibia avoids such a 'trap' for Germany and other former colonial powers.

Too little, too late

Germany's commitment of €1.1 billion for development projects in Namibia is too cheap a price to pay for remorse. Compared with the lasting human costs and material damage created in Namibia, this amounts to tokenism. As Ovaherero paramount chief Vekuii Rukoro has said, it adds insult to injury.

The annual payment over the next 30 years amounts to about €37 million, just about N$618 million at current exchange rates. Namibia's national budget for 2021/22 is N$67.9 billion.

For the Namibian government, such money is a tempting carrot. After all, the country's economy is in a deep recession. COVID-19 has added to the fiscal crisis. Thus, such a financial injection would come in handy, especially at a time of eroding trust in government. The money is earmarked for land reform and development, rural infrastructure, energy and water supply as well as education.

Germany's President Frank-Walter Steinmeier is expected to visit Namibia to offer an apology in the National Assembly. But such an official policy-level engagement cannot replace a direct exchange with the descendants of the most affected communities, who have threatened to welcome the German president with a protest.

Recognition without compensation

After the negotiations were concluded, the German Foreign Ministry issued an official statement. It stressed that the recognition of genocide did not imply any 'legal claims for compensation'. Instead, the 'substantial programme … for reconstruction and development' was declared as a 'gesture of recognition' for the wrongdoings by Germany.

One wonders if 'gestures' are indeed an adequate form of recognition. Given the dimensions of the crimes committed then, more empathy would be an important signal. Such formal language can be very humiliating and hurtful.

Reconciliation needs more than material compensation. The devastating demographic and socioeconomic consequences of genocide can never be compensated. Significantly improving the well-being of the descendants of the victims would be an important material aspect. This requires more than the payments offered.

Also crucial is an adequate expression of remorse in recognition of the historical injustice. The 'joint declaration' states that 'The Namibian Government and people accept Germany's apology and believe that it paves the way to a lasting mutual understanding and the consolidation of a special relationship between the two nations.'

Bilateral agreements between governments cannot replace reconciliation between the people of the two countries concerned.

Without consultation and legitimacy, the two governments here declare what the Namibian people are supposed to accept.

Notably, even the representatives of three Ovaherero Royal Houses participating in the final round of negotiations indicated on their return home that they would not endorse the suggested agreement.

What true reconciliation requires

Through a long and halting process, Germany has ultimately made significant progress in facing up to the atrocities of the Holocaust of European Jews during World War II. Its remembrance is now claimed as part of Germany's DNA. The Holocaust memorial in central Berlin does that for Jewish victims.

And Germany has reached a measure of reconciliation with neighbouring France, and to a lesser extent with Poland for its crimes during the war.

Germany's colonial atrocities should also enter public memory. Public commemoration of the victims of numerous crimes committed under German colonialism, such as those in Namibia, is long overdue.

If there is a lesson to be learnt from these actions, it is that bilateral agreements between governments cannot replace reconciliation between the people of the two countries concerned. The descendants of the victims of the Namibian genocide are traceable, but what about the perpetrators? As the Namibian activist and author Jephta U Nguherimo has stated, 'President Steinmeier should deliver his apology to the Bundestag [German parliament] for the German people to understand and learn about their untold genocide.'

So far, this vital perspective is totally missing.

A compromise, but not yet a solution

The German-Namibian agreement is the limited result of a compromise reached through flawed government negotiations. Still, this is a widely acknowledged pioneering step.

From a German perspective, the admission of guilt with the consequences attached is one step towards breaking continued colonial amnesia. This could ultimately foster long-overdue awareness of Germany's colonial past. It can promote unreserved recognition that Germans occupied foreign territories and subjugated people, creating lasting damage. But even this would contribute little towards healing festering wounds in Namibia.

Decolonisation and reconciliation must become a shared process between people. Governments can help to facilitate such a process. They can never supplant it. ◆

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HUMAN RIGHTS

Families in El Salvador search for loved ones gone missing

Disappearances of people are a longstanding phenomenon in violence-wracked El Salvador.

Edgardo Ayala

THE pain that Maria Estela Guevara feels over the disappearance of her niece Wendy Martinez remains as intense as it was four years ago, when she learnt that the young woman, then 31, had vanished without a trace in eastern El Salvador.

'I still feel the same pain, I want to know what happened to her,' Guevara, 64, who has always considered Wendy her daughter because she raised her from a very young age after she was orphaned, told Inter Press Service (IPS) between sobs.

Guevara's plight is shared by thousands of families in El Salvador who have lost relatives who simply failed to return home one day and were never heard from again.

At least 2,383 complaints of missing persons were reported in 2019, against 2,457 in 2018, according to the report 'Desaparicion de personas en El Salvador' (Disappearance of people in El Salvador), published in April by the non-governmental Fundacion de Estudios para la Aplicacion del Derecho (Foundation of Studies for the Application of Law – FESPAD). The document covered the period 2014-19.

The phenomenon has been occurring for years in a highly polarised political context in which the governments in power have sought to downplay the problem in order to show that they are efficiently fighting crime, and the political opposition has sought to draw attention to it.

Wendy went missing on 30 September 2017 in San Miguel, the capital of the eastern department of the same name. She was studying cosmetology and that day she left at 7 a.m. to fix the hair of several clients.

Edgardo Ayala/IPS

A flyer posted in Sonsonate, El Salvador, calling for help to locate the missing Flor Maria Garcia. Her body was eventually found and her husband arrested for femicide.

'She said she was coming home again at 11 a.m. to give her nine-year-old daughter lunch, but she never returned,' Guevara said. 'I kept calling her until 12 at night, and she never answered.'

Disappearances – nothing new in El Salvador

The phenomenon of disappearances is not new in this Central American country that was torn apart by a bloody civil war between 1980 and 1992, which left some 75,000 dead and 8,000 missing.

In the wake of the armed conflict, El Salvador has experienced a maelstrom of violence, mainly at the hands of youth gangs that over time have grown into powerful organised crime groups that control significant chunks of territory in this poverty-stricken country of 6.7 million people.

Gangs have historically been behind many of the cases of missing persons, as they attempt to leave no evidence of their crimes, analysts consulted by IPS said, but without ruling out the involvement of other actors in recent years.

'There is certainly a high probability that this pattern [of gangs] will continue,' lawyer Zaida Navas, legal head of State of Law and Security at Cristosal, a non-governmental organisation that works to defend human rights in Central America, told IPS.

She added: 'But disappearances are also the result of murders in cases of femicide, and executions by organised crime groups that are not necessarily gangs, and also due to personal disputes.'

One of the latest femicides was the high-profile case of Flor Maria Garcia, 33, who had been missing since 16 March. That day, her husband Joel Valle reported to the authorities that Flor Maria was missing. According to him, she had left home early in Cojutepeque, a municipality in the central department of Cuscatlan, to head to the capital, San Salvador. Valle, a dentist, said that Flor Maria had gone to pick up

Gang members under detention in San Salvador, El Salvador. Gangs have historically been behind many of the cases of missing persons in the country.

materials for the dental clinic where she worked as his assistant.

But in a twist to the case, authorities arrested Valle on 25 June as the main suspect in his wife's disappearance, and charged him with the crime of disappearance of persons.

'We always had doubts about him; we as Flor's family knew that she suffered psychological and economic violence in her home,' her brother, Jorge Garcia, told IPS a few days after Valle was arrested.

He added: 'We found it strange that the day she disappeared, he, Joel, only sent us a WhatsApp message at about 7 at night, asking if she was with us, in Sonsonate,' the city where Flor Maria was originally from, in the west of El Salvador, and where her family still lives.

The authorities found Flor Maria's remains on 29 June in a vacant lot on the side of the road near Cojutepeque, under tons of dirt and gravel.

The charges will be changed from disappearance of persons to femicide, the authorities said.

'I should have warned my sister, I should have insisted that she leave him when the incidents of psychological and economic, and even physical, violence occurred,' Garcia added.

It is no consolation, but Flor Maria's family will be able to give her a religious burial and begin the mourning process. However, many other families have no sense of closure, as long as their relatives remain missing.

The numbers game

Given the strained relationship between the government of Nayib Bukele and his political opponents, the issue of missing persons has once again gained national prominence, with the president defending his security programme, the Territorial Control Plan, as the reason for the drop in murder rates. But his opponents say that while it is true that homicides have declined, cases of missing persons are on the rise.

According to government figures, homicides have dropped significantly since Bukele took office in June 2019 and began to implement the plan. When the government took office, there were 50 murders per 100,000 inhabitants in El Salvador, a rate that has dropped to 19 per 100,000, said Minister of Justice and Security Gustavo Villatoro in a television interview in March.

But establishing how many people are missing in the country, and whether the number is increasing, decreasing or remaining steady when comparing time periods, is not an easy task, said analysts consulted by IPS.

This is true above all because there is no official census of cases, but three separate institutions keeping track of figures that are sometimes in line with each other and sometimes quite different – the National Civil Police, the Attorney General's Office and the Dr Roberto Masferrer Institute of Legal Medicine – and each one handles its own data based on the complaints received.

'I think the most honest – although I don't know if the most rigorous – answer is that the official figures allow us to conclude that we have a partial view of reality, historically,' lawyer Arnau Baulenas, legal coordinator of the Jose Simeon Canas Central American University's Human Rights Institute, told IPS.

He clarified that he was not only referring to the current Bukele administration, but that this has been a problem for decades.

A report by the Efe news agency, based on official figures, stated at the end of May that in the first four months of 2021, reports of missing persons had increased by 112% compared with the same period in 2020, climbing from 196 to 415.

'But it is very difficult to assess whether the increase in complaints filed actually means there are more cases, because there is a counter-argument: that people are reporting cases more because they see that the authorities are taking action,' Baulenas said.

He added, however, that 'Such a sharp rise would indicate that disappearances have indeed increased.'

Bukele, for his part, said on 26 March that as homicides have gone down, investigators are better able to investigate other crimes. 'It is not the same to investigate 40 homicides as three homicides a day,' he said in reference to the drop in the daily murder rate.

Meanwhile, Maria Estela Guevara does not lose hope of one day finding out what happened to Wendy on that day in September 2017.

'Her little girl is now 13 years old, and she still has hopes that her mom will come home, she tells me not to remove things from Wendy's room, in case she comes back,' said Guevara with a heavy voice. – *IPS* ◆

Women workers disproportionately impacted by COVID-19 pandemic

The COVID-19 crisis has widened gender gaps in the quantity and quality of work, finds the UN labour body.

Kanaga Raja

COVID-19 has disrupted the livelihoods of women working in the informal economy.

WOMEN's employment world-wide declined by 4.2% between 2019 and 2020, representing a drop of 54 million jobs, while men's employment declined by 3%, or 60 million jobs, according to the International Labour Organization (ILO).

In its latest policy brief, 'Building Forward Fairer: Women's rights to work and at work at the core of the COVID-19 recovery', released on 19 July, the ILO said over a year and a half into the COVID-19 pandemic, gender equality in the world of work has worsened.

'Women have suffered disproportionate job and income losses, including because of their over-representation in the hardest-hit sectors, and many continue to work on the front-line, sustaining care systems, economies and societies, while often also doing the majority of unpaid care work,' it said.

The ILO said that the decrease in employment between 2019 and 2020 was more pronounced than during the Great Recession for both women and men.

'This is largely due to the impact of lockdowns that affected sectors, including manufacturing and services where women are over-represented and where they are often working with informal working arrangements.'

Enduring gender gaps in time spent in unpaid care work, limited access to social protection and an upsurge in violence and harassment have also made it difficult for women to keep their jobs, compared with men, said the ILO.

According to the ILO policy brief, in 2021, there will still be 13 million fewer women in employment compared with 2019, while men's employment will have recovered to 2019 levels.

The ILO has forecast that, globally, in 2021, women's employment is expected to rise by 3.3% from 2020 levels, or 41 million, while men's employment is expected to grow by 3%, or 59 million. Even though the projected employment growth rate in 2021 for women exceeds that for men, it will, nonetheless, be insufficient to bring women back to pre-pandemic employment levels, because of deeper employment losses experienced by women in 2020 (-4.2%).

Women's employment in 2021 is projected to be 1,270 million, while men's is forecasted to reach 2,019 million, said the ILO. 'Only 43.2% of the world's working-age women will be employed in 2021, compared to 68.6% of working-age men.'

In other words, in 2021, women will still be 25.4 percentage points less likely to be in employment than men, said the ILO.

Regional trends

According to the ILO policy brief, the Americas was the region that experienced the greatest reduction in women's employment as a result of the pandemic. Between 2019 and 2020, women's employment declined by 9.4% compared with a 7.0% decline for men.

'The drop in women's employment disrupted the progress observed over the past 15 years, which was the result of better educational opportunities for women, greater availability of formal jobs in the services sector, migration from rural to urban areas, and lower fertility rates.'

The ILO estimates that the regional employment-to-population ratio for women will stand at only 46.8% in 2021, while men's will reach 66.2%.

'These figures portray bleak prospects for women in the region, highlighting that employment growth lacks the intensity needed to recover to pre-pandemic levels,' said the ILO.

The second highest drop in the number of employed women was observed in the Arab States. Between 2019 and 2020, women's employment declined by 4.1% and men's by 1.8%.

However, recovery prospects appear to be more favourable for women than for men, as women's employment in 2021 is expected to increase by 5.6% and men's employment by 3.7%, reflecting more targeted policy actions to promote women's participation in employment, said the ILO.

Nonetheless, there remain substantial gender inequalities at work in the region, it added. According to ILO projections, in 2021, the employment-to-population ratio for women will stand at only 14.3% compared with 70.8% for men.

The ILO said over the past 15 years, the region's employment-to-population ratio has hardly fluctuated. This low female employment rate is the result of the limited quantity and quality of jobs generated, traditional expectations of women's role in society and recurrent political instability.

In Asia and the Pacific, the shock of the pandemic led women's employment to decrease by 3.8% compared with a decline of 2.9% for men.

The number of men in employment is expected to rise by 3% by the end of 2021, which would more than offset the job losses that occurred in 2020. On the other hand, women's employment losses would not be compensated by the forecasted 3.2% rise in 2021. This would further accelerate the decrease in women's employment rates observed in the region over the past 15 years, leading to only 41.2% of women being in employment in 2021, compared with 71.4% of men.

The main factors behind the longstanding decline in women's employment rates include the rapid transition from agriculture to manufacturing with lower-than-expected job formalisation rates, and the lack of care services and infrastructure that enable women to combine work with family responsibilities, said the ILO.

In Europe and Central Asia, it is the second time over the past 15 years that employment has been severely hit by a crisis. The Great Recession, between 2008 and 2009, dramatically reduced men's employment (-2.3%), while women's jobs were affected to a much lesser extent (-0.5%). In contrast, the COVID-19 crisis has curtailed women's employment considerably more than men's, leading to a 2.5% and a 1.9% decrease, respectively.

The ILO said its forecast for 2021 is not encouraging, as the number of women in employment is expected to rise by a dim 0.6% and that of men by 0.4%.

It said in Europe and Central Asia, the COVID-19 pandemic has halted the positive trend of increasing women's employment rates of the past years triggered by higher female educational achievement, rising social protection coverage coupled with investments in the care economy and the increase in part-time employment opportunities.

In 2021, the employment rate for women is projected to stand at 46.0%, compared with 60.8% for men.

Despite substantial decent work deficits, in Africa, men's employment experienced the smallest decline across all geographic regions with just a 0.1% drop between 2019 and 2020, while women's employment decreased by 1.9%, said the ILO.

Recovery prospects are particularly positive for women, whose employment is expected to rise by 4.7% between 2020 and 2021, more than offsetting pandemic-related job losses.

As a result, in 2021, the employment rate for women in Africa is projected to reach 48.7%, which would be the highest across regions, and men's employment rate is projected to stand at 66.2%.

However, a North-South divide in sub-regional dynamics persists, the ILO said, noting that in northern Africa, only 16.0% of working-age women are projected to be employed in 2021. The combination of ascribed gender roles, limited expansion of the services and manufacturing sectors, and lack of care services has contributed to women leaving paid work around the age of 25, which coincides with marriage.

Conversely, in sub-Saharan Africa, the employment-to-population ratio for women is projected to remain among the highest in the world in 2021, at 57.1%. The gender gap in employment rates, at 10.4 percentage points, is low when compared with many other regions. However, women's higher employment in the region often comes at the expense of the quality of their work, given their disproportionately high participation in the informal economy, especially in agriculture, a sector where paid work is often combined with unpaid care responsibilities.

'In Africa, the pandemic has exacerbated the poor working conditions of informal economy workers, who have continued to work during the COVID-19 outbreak, putting themselves and their families at risk,' said the policy brief. In this context, when gender intersects with other personal characteristics, such as ethnicity, nationality, age, disability or HIV status, there is a risk that gender disparities will widen further.

Large gender gaps in job quality

According to the policy brief, the COVID-19 pandemic has shed light on the large gender gaps in the quality of employment, especially for the many women working in feminised sectors and occupations, and in the informal economy.

It said that even before the pandemic, jobs with a high concentration of women were characterised by low wages, long working hours, limited opportunities for career advancement, and exposure to occupational health and safety risks as well as violence and harassment.

'When the pandemic hit, these trends put women workers at greater risk of being laid off, seeing a significant contraction of their working hours and/or experiencing a further deterioration in their working conditions.'

Migrant workers, ethnic and racial minorities, older persons and those with disabilities and living with HIV and AIDS have also seen the quality of their jobs dampened.

During the pandemic, women have continued to provide essential work in the health and social work sector as well as in other essential occupations, often putting their own lives at risk and facing a double burden: longer shifts at work and additional care work at home, said the ILO.

The ILO noted that for the majority of women and men, COVID-19 has increased care demands within households on an unprecedented scale. However, new evidence shows that women continue to bear the brunt of unpaid care work. This has led women who remained in employment to cut down on paid working hours or to extend their total working hours (paid and unpaid) to unsustainable levels.

'Across the world, women continue to earn 20% less than men and women experience further pay penalties when they belong to ethnic minorities, are migrants or persons with disabilities.'

The ILO said the pandemic has hit those at the bottom of the wage scale harder than those at the top and, particularly, women who are disproportionately represented in low-paid jobs.

According to the policy brief, estimates based on a sample of 28 European countries found that, without wage subsidies, women would have lost 8.1% of their wages in the second quarter of 2020, compared with 5.4% for men.

COVID-19 has disrupted the livelihoods of women working in the informal economy, as many informal businesses were forced to close temporarily or permanently, leading to severe loss of income and an increased risk of falling into poverty, it said.

'As a result, many children have faced a higher risk of child labour and lower rates of school enrolment, especially young girls.'

Domestic workers, many of whom work informally, are exposed to significant decent work deficits in respect of working time, wages, social security, occupational safety and health, including violence and harassment. Globally, they earn 56.4% of the average monthly wages of other employees, said the ILO. Live-in domestic workers and migrant domestic workers are particularly vulnerable to poor working conditions. During the pandemic, many domestic workers have lost their jobs or seen a dramatic reduction in working hours and correspondingly lower wages.

With the pandemic, it has also become clear that while many higher-wage jobs could shift to full-time tele-work, this has not been the case for the many women in low-wage jobs, such as retail, sales and hospitality that require physical interaction with clients, customers or patients, said the ILO.

The ILO estimates that during the pandemic, the number of workers who could work from home was 557 million, accounting for only 17.4% of the world's employment.

According to the policy brief, while sex-disaggregated data on the number of persons working from home is not yet available, some evidence suggests that women's working conditions have worsened, as the combination of COVID-19-related anxiety, unchanged expectations from employers and an increase in care responsibilities can have severe repercussions on women's physical and mental health. In some instances, tele-work has also led to increased work intensity, with potential risks of exhaustion, higher levels of stress and, at times, a sense of loneliness.

However, the ILO added, studies conducted prior to the pandemic already showed that tele-work can offer workers greater autonomy in the organisation of work and time, and that when well designed, tele-working arrangements can be instrumental in promoting women's participation in managerial and leadership positions, which remains low. Globally, in 2020, only 28.3% of managers and leaders were women, a figure that has changed very little over the past 27 years.

The ILO said the pandemic has also cast light once again on the little space given to women in decision-making. 'Globally, women made up just 24% of COVID-19 task force members, confirming that the glass ceiling remains firmly in place in economies and in politics.'

A gender-responsive, inclusive and job-rich recovery needs to explicitly counterbalance the gender-specific effects of the COVID-19 crisis and create conditions that support the creation of decent work for women, said the ILO.

It noted that unprecedented macroeconomic policies, both fiscal and monetary, have been put in place to cushion the impacts of the pandemic and ensure a speedy recovery, particularly in 2020. Fiscal stimulus packages have been greater than in the 2008-09 crisis, but relatively few of these resources have been channelled to gender-responsive measures. According to the policy brief, out of the 580 fiscal and economic measures to help businesses weather the crisis in 132 countries and territories, only 12% (70) aim to strengthen women's economic security by channelling resources to female-dominated sectors.

'As a greater proportion of women's employment has been lost due to the COVID-19 pandemic, extraordinary policy efforts are needed to ensure that women return to the labour market with decent work opportunities,' said the ILO. If priority is not given to this goal, there is a risk that women will be left behind in the recovery efforts, further exacerbating existing gender inequalities in terms of access to and quality of employment.

Gender equality considerations need to be an intrinsic component of the design, development, implementation and results of all programmes and strategies, policies, laws and regulations implemented as a response to and recovery from COVID-19, the ILO concluded. ◆

Kanaga Raja is Editor of the South-North Development Monitor (SUNS) *published by the Third World Network. This article first appeared in* SUNS *(No. 9394, 26 July 2021).*

Tin Moe (1933-2007) was a leading poet from Myanmar who had won the National Literary Award for poetry. Having spent over four years in prison for his political opposition, he left the country in 1999, never to return. The poems written in his exile reflected a deep yearning for his homeland.

Each with its own grace

by Tin Moe

The moon shines
in its own light, its own glow.

The little torch too
with its own reach, its own fang.

The little jasmine
with its own fame, its own bud.

The yellow Badauk*
in its own season, with its own scent.

The deep wide river
has its patterns, its own waves.

The curly creek flows
with its own stream, its own ferry.

This, that, and everything —
each a beauty in its own right.

Nature blesseth everyone
with charm and power
as its gift.

Be not jealous, hold no grudge;
envy maketh
ugliness.

With its own clout, in its own pace,
in the right time, at the right place,
each finds its role, its own purpose,
proves capable in its own measure.

Translated by Kenneth Wong
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* Badauks (or Padauks) are the yellow flowers that bloom yearly during April, the time of the Burmese New Year.