

Leeds University Business School – Research and Innovation Podcast

Episode: Just Transitions – a global exploration: Colombia

Speakers: Professor Vera Trappmann and Senior Researcher Dario Azzellini

Vera: [00:00:00] Hello and welcome everyone to the Research and Innovation podcast. My name is Vera Trappmann and I'm joined today by Dario Azzellini. And we are having another episode of our "Just Transition - a global exploration" series, where we talk about the research results of our large comparative project on just transition. Hi, Dario.

Dario: Hi, Vera.

Vera: Dario, you are here today to talk about just transition in Colombia. What does just transition mean in Colombia?

Dario: Well, just transition in Colombia is, a kind of, let's say, holistic concept, where it's not just about the workplaces that have to be replaced because they got lost like in certain energy fields or in those branches affected directly by the energy transition. But it's also seen as a chance - [00:01:00] the energy transition - for a more participative and equal system, economic system with participation.

So, the idea is to overcome also the huge different income differences, overcome poverty, and overcome the model that has been in place for hundreds of years where Colombia only exports primary goods, resources, and is in a kind of dependent relationship with the Global North. So, the just transition aims at a transition that is just for the environment, for the communities and the people living there, and for the workers. And in the case of the workers, it looks also at, let's say, the bigger picture because like some of these, especially its coal mining zones, for example, are largely [00:02:00] dependent on coal mining. That means that the whole economy has to be transformed to have a just transition.

Vera: That sounds really interesting and very transformative. How did such a transformative approach of the just transition come about in Colombia?

Dario: It's a long story because... it is an interesting case because like the coal and oil and energy unions are all supporting the phase out of fossil fuels. And this has various reasons. So, one reason is obviously the environmental impact and the climate impact. It is also a reason, the environmental impact for the communities that live there.

And there's a long, long tradition of unions, and especially of these unions from the oil, coal and energy sector to work together with indigenous communities, with local communities, with environmentalists, et cetera, which is, and with peasant organization, which is a [00:03:00] long, long tradition. And, and so that, for example, like the workers in Colombia, if you ask them, "how about the communities?"

They look at you and say, "I don't understand. When I get out of my mine, or of the oil field, I'm community". It's not something separated for them. So, I think that there's this common struggle for a better future where people see that what the extractivism is taking away, what it is destroying, is much more than what is left for the people and what comes out.

So they're looking for a perspective which is, for an economic system that saves the environment, that keeps the environment - well now it has to be rebuilt, a lot of it - so not only leaving it intact, but like to rebuild it - but to build the future on the own capacities and not on a model, depending from export, exploitation and destruction.

We have also to say that like this, [00:04:00] extractivism, this resource extractivism in Colombia led to huge repression. So, Colombia is one of the countries with most people from social movements and unions killed every year. So, this year we have like more than 160 activists from environmentalist movements that have been killed by paramilitary, by Killer Commandos, usually at the service of big enterprises of cattle farmers, et cetera.

For the unions and for the people in the communities in Colombia, phasing out of fossil fuels is not only saving the environment, it's not only going to a model that gives them a different perspective, that saves the biodiversity - Colombia is one of the most biodiverse countries in the world, and at the same time affected strongly by climate change. So, 94% of Colombians say they feel climate [00:05:00] change in their daily life and are in favour of even harsher measures against climate change than the ones that exist. So, we have this whole thing that comes together and in the end it's also a way of lowering violence, lowering the war, lowering the internal war that the violence and killing displacement that comes along with huge mining projects, with huge extractivism projects.

So, it is an overall view that is not only on the energy transition, which is necessary for climate reasons, for the reasons of the greenhouse gases, but it's also necessary because Colombia is covering 70% of its electricity with hydropower, but hydropower got unreliable with climate change. So, they have even to phase out of hydropower because of climate change.

Vera: Dario, [00:06:00] how was it for you, conducting this research and what did you find out from activists why they, despite the risks, still have the courage to be active and fight for a just transition?

Dario: I've been working with Colombian unions for now almost 30 years, with different unions and organisations, and I'm always surprised about the strength they have about the belief to do the right thing, let's say this way. And that's also astonishing and really impacting when you hear the unionists from coal mining, from oil fields, that tell you we cannot continue using nature like a basket of commodities. We have to respect nature. We have to get somewhere where we don't [00:07:00] overuse the resources anymore. We have to stop coal mining. Coal miners that tell you, "we don't want to bear the responsibility that our coal is burned somewhere else".

I mean, this is, I think, really impressive. It's impressive because they also tell you, "Obviously, we wanna make a decent living. We want to have a just transition". But they also say, "it's an illusion to pretend that in other jobs we will be earning the same as we do in coal mining or oil drilling", because simply the margins are not there in other places.

If you don't destroy nature, if you don't, like misuse laws, nature and environmentalism and all that, you won't make these profits that make it possible to pay these salaries. These salaries are also higher in the energy sector in Colombia because of the strong [00:08:00] unions, but because of the, also because of the strategic role of the sector where they would like to avoid any strike or interruption.

So, this is, I found, very impressive, when you hear, like in the Global North unions saying, “oh, they don't wanna have, they want to continue producing cars or whatever, or mining” or et cetera. And then you hear these people that are much, much poorer than a situation of dependence that are fighting with their lives for the jobs and for everything they have around, and they tell you, “We have to phase out”. I found that very, very impressive.

Vera: Yeah, it is, it is indeed. And I mean, we have a Left party in government in Colombia, and they did play a driving role for this transformative policy. How would you see the role of the trade unions - [00:09:00] are they in the passenger seat or are they in the driving seat? Please tell us a little bit, how you evaluate the role of the unions.

Dario: The unions had a very important role in the election of Gustavo Petro. They mobilised massively for the elections. We have to say that we have a very low union rate in Colombia - it's around 4%, a little bit more - but it's very strong in these strategic sectors like energy transport, coal, gas, or oil, which is interesting.

And so, the unions have supported the campaign of Pedro and are supporting him, but also pushing for their own agenda to intensify. So, they have had a very proposed role by proposing laws, proposing articles, discussing in commissions. The whole process has been also very participative from the government, so with a lot of [00:10:00] consultations - regional ones, local ones, branches with unions, with different social groups including women, LGBTQ, indigenous people, local people, et cetera. which is, by the way, something that the industry didn't like at all.

The International of Finance, for example, as soon as Colombia, the government announced a stop of fracking and gas and oil exploration, the international markets raised the interest rate for Colombian debt so that it becomes more difficult for Colombia to access the money necessary for the transition. The unions are fighting for a model where like this can be overcome.

There's that, like this dependency, this dependency from foreign market, this dependency from export industries. And it's a huge [00:11:00] endeavour, because Colombia depends... about 50% of foreign investment is in the oil and coal and gas sector. More than 10% of the revenues, revenues of the state are from this energy sector. It's all also about replacing all that. And that won't be easy at all. So, it's quite interesting how it becomes a contradiction how, like, they present some of the most ambitious plans to overcome, to get out of fossil fuels, to replace, with not only renewable energy, but they speak about clean energy. They say, “not all renewable energy is sustainable and clean”. They also even specify and say, “we want clean energy, not just renewable energy”. And at the same time, the block by financial markets, they get less access to money. This [00:12:00] is a very complex and controversial situation they're in.

In the end, for example, I just saw yesterday that Climate Tracker updated the ratings for the different countries and it rated Colombia as insufficient with an NDC target of most “efficient”, and net zero target is “acceptable”. But it says the problem of Colombia is that the financing is not secure, it's unstable, also because of the international financial markets. They say that what is needed is also a change to this finance politics where like the different rating agencies have to include environmental issues into the ratings and not have them like, have a negative weight, [00:13:00] like it is now.

On the other side, we can say on the positive side, that the construction of renewable energy sources has been much faster than expected, so Colombia was covering 2% of its electricity with solar and wind power in 2022, and this year it reached 13.5% of the energy. This has been much faster than expected, which is good. But there's still the problems of stable financing and how to replace the exports and investments that get missing.

Vera: Thanks, Dario. Yes. I think the point about the funding and finances of climate mitigation and decarbonisation shows one of the problems of the global dependencies, but also interdependencies. And this is what I find so fascinating [00:14:00] about our project as a global exploration, that we see the interconnections between the Global South and the Global North, but also that we are really surprised in what places we do find really positive examples that others, might be able to learn from, in this regard.

Thank you very much Dario for presenting us really transformative, deep ambitions for the transition in Colombia.

Dario: Thank you, Vera, for inviting me and I hope that everyone enjoys it.

Vera: Yes, and if you want to find out more about the project, the details are in the show notes. Thank you.

Dario: Thank you. Bye. [00:15:00]

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