

Is globalization an accelerating factor in ecological depletion?

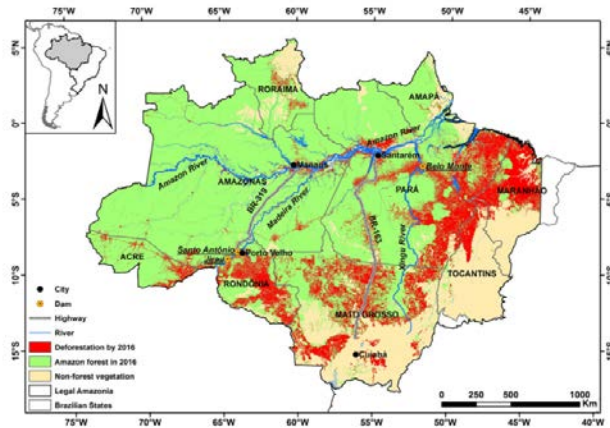
Introduction

I decided to focus in my essay on one topic that I have been missing in our course – resources & ecological depletion.

My idea came from the news about new Brazilian president, J. Bolsonaro. I was just shocked, that someone who is leading one of the biggest economies in this world can behave like this and present this type of ideas. He won mainly because of strong anti-corruption propaganda, but as well he favors business over biodiversity and longs for pro-market ways of exploiting natural resources of Brazil while criminalising activism. He is also against the policy of keeping the 12% of Brazil's land for indigenous tribes and promised to debilitate environmental laws. This model of capitalism is something what is not just going to destroy our planet and environment but completely will kill it. Another big threat is, that he will declare the withdrawal of Paris climate agreement, where Brazil has set ambitious goals. President announced, that his state will stay only under the condition of pledge, that Brazil will not be forced to render the sovereignty to native tribes or international jurisdiction over the Amazon rainforest, Andes mountains or Atlantic ocean.

Amazon rainforest – source of land

Brazil is the homeland of „lungs of Earth“ – Amazon rainforest. At 670 million hectares, the Amazon rainforest is still the world's largest rainforest – larger than Western Europe or India. Until now, Brazil was trying to resist the exploitation of its natural resources and face the capitalistic pressures of shareholders and corporations. Brazil was among the main frontrunner in UN (United Nations, next just UN) climate talks. But personally, I am more scared about our planet than ever. Below in the picture we can observe, that in the last few decades, the rainforest shrank by about 20% due to deforestation. Forests play a crucial role in decreasing the climate change because they act as a carbon sink—absorbing carbon dioxide that would otherwise be free in the atmosphere and contribute to persisting changes in climate patterns.



Source: World economic forum

Question: Are the multinational corporations as a key agents of globalization the accelerating factor of ecological depletion?

The International demand

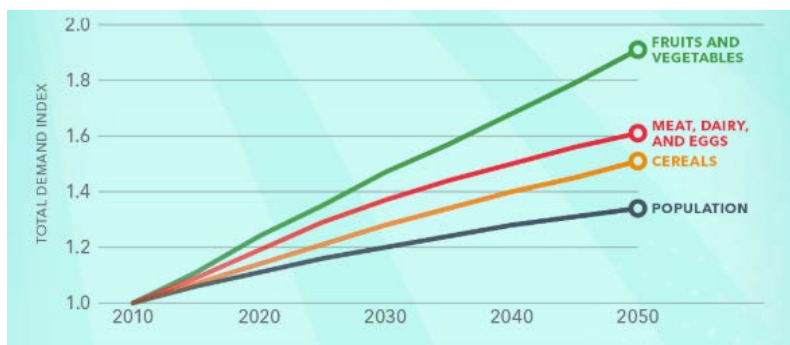
As far as I want to write about globalization, I would like to briefly comment the role of corporations in a globalization process. As it is stated in Global Trends 2030: „The expansion has been fueled by the formation of a transnational elite who have been educated at the same universities, work in many of the same multinational corporations or NGOs, (Non government organization) and vacation at the same resorts. They believe in globalization, but one that relies on and benefits from personal initiative and empowerment. They don't want to rely on “big” government, which they see as oftentimes behind the curve and unable to react quickly in a fast-moving crisis.“

Nowadays, corporations have bigger power than governments. The rising influence of multinational corporations around 1980ties of the last century is linked mainly to the economic globalization. In reality, the modern globalization is identified by activities of multinational corporations. They operate in various countries, cultural styles and have great economic power. For example, revenues of Nestlé (the 9th biggest corporation in the world) were last year around 80 billions € It is more that GDP of Botswana, Namibia, Zimbabwe and Zambia altogether. The driving force of this process has been mainly technological development and foreign direct investments.

One of the megatrends according to Global Trends 2030: Alternative Worlds is **Megatrend 4: Growing Food, Water, and Energy Nexus**. It is said that demand for food, water and energy will grow app. 35, 40 and 50% due to *increase in the global*

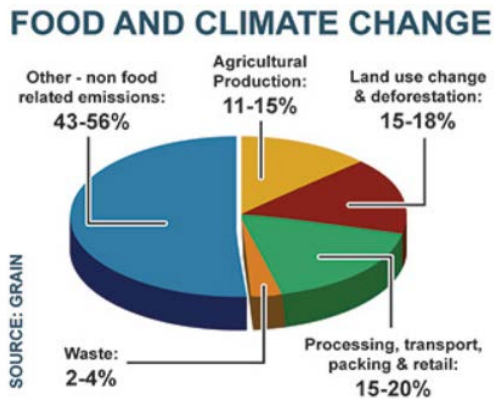
population and the consumption patterns of an expanding middle class. The factor that will worsen availabilities of these resources will be also the climate change. Many countries will not have financial means to avoid food and water scarcity without solid help from other countries or organizations. I am not in a favor with the statement, that the future demand will increase due to consumption. Yes it will but why? Is it caused by normal, proportional way of consumption, or can we say that **consumption is not equally distributed**? I really like the quote of Mahatma Ghándí, who said: „*There is enough for everybody's need but not for everybody's greed.*“

As rising incomes improve access to food for more and more people, current trends in agriculture will present challenges for meeting this demand sustainably. For example, changing temperatures and character of precipitation, along with increased weather changes, will probably slow regional growth in food production. It is understandable, that more people have now financial possibilities to buy more food, but still demand for **agricultural commodities is rising faster than population**. So something is wrong...



Source: International food policy research institute

One report from Sao Paulo proved, that international trade and openness of trade have historically led to the growing dynamics of deforestation in the Brazilian Amazon in last few years. The reason lies mainly in fact, that authorities keep on overexploiting the natural resources to satisfy domestic and mainly **international demand**. There are also another determinants driving deforestation in the region, for example expansion of beef cattle, production of soybeans, sugarcane, cotton, palm oil . We can see below, how food contributes to climate change and by how many %. 15-18% of all activities is created by land use change & deforestation.

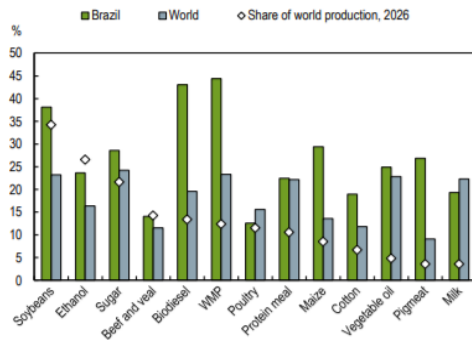


Another issue is the growing demand for meat and dairy products. For some participants of this global environment it is such a good business and also from meat & dairy production implies large amounts of cereals to feed the livestock. Or another big issue in this field – palm oil. Oil palm plantations currently cover more than 27 million hectares of the Earth’s surface. Forests and human settlements have been destroyed and replaced by “green deserts” containing no biodiversity on an area the size of New Zealand. The warm and humid climate create the best conditions for growing palm oil and also for another commodities. More and more areas are being deforested and release huge amounts of carbon into the atmosphere and in addition of this endangered species such as the orangutan, borneo elephant and sumatran tiger are being pushed closer to extinction.

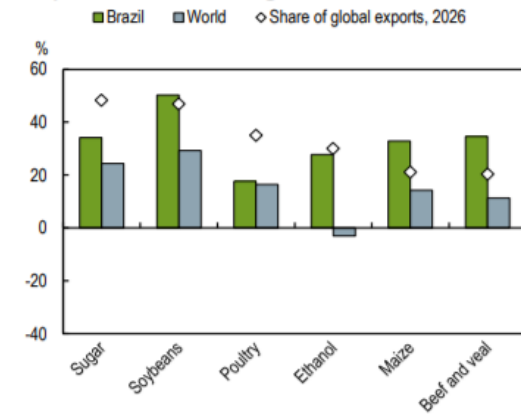
We can not just say, that the deforestation is the result of globalization, because there are much more factors, but for me personally, this is the **main driving force**. It is obvious, why international agricultural market demand for arable land in Brazil. Brazil is the **biggest exporter** of agricultural commodities in the world. According to OECD and their projections (graphs below) is predicted that Brazilian demand of soybeans will account for an expected 14% of global consumption in 2026. Strong growth in demand is expected for ethanol (+23%), biodiesel (+43%), whole milk powder (+35%), poultry (+10%)...

Production

Production: Percentage change 2026 compared to 2014-16 average



Exports: Percentage change 2026 compared to 2014-16 average



Source: OECD

As we can see above, the highest growth rate for exports among the major export commodities is projected for **soybean**, with exports set to increase by an estimated **50%**. In 2026, it is projected that Brazil will account for 47% of global soybean trade volumes. Brazilian exports will also outpace global trade growth for **ethanol**, **maize**, and **beef and veal**. Export of **sugar** will also grow by estimated 34%.

Role of multinational companies

This is a propaganda neither of vegetarianism nor veganism. It would not be fair, because I am also consumer of meat & dairy products & palm oil. I know about it, I want to do something about it and I am desperate at the same time. Last few years there are still more and more people aware of this process and they, also me, are trying to change our nutrition, patterns of consumption and above all, our mindset towards this topic. But after all this researches, articles I have been reading, I realized, that neither quitting the consumption of meat nor plant-based diet will save this planet. Let's say I will stop eating meat and I will start eating more vegetables, fruits, products from soya... This still means demand for land and in addition more pesticides, more antibiotics, more GMO products... The number of vegans has increased by 160 % over the past 10 years, but people need to be asking "where has this food come from" while they are filling their shopping baskets with the fruits from all around the world. There are a lot of companies who have launched a vegan range of food, Walmart, Nestlé, nearly each of them. But as we are greedy devastating world's basket, it's the consumer and companies who benefits and those on the other side are left unnoticed. For example, avocados and quinoa, which are very popular nowadays. Their prices have been pushed up so much by Western demand that they've

become unaffordable to those who depend on them in their country of origin. It is like a **vicious circle**.

There are still tons of rich and sociopathic people working in top management of multinational corporations who want to be even richer. These people can just hardly understand what does it mean to work every day on fields for 1,90\$ per day, if even that much. **„Several large multinationals committed to sustainable procurement of cocoa or palm oil, for example.“** This sentence I read in one article of World bank. Yes, they donated for them big amount of money and made even bigger PR article about their generosity. Of course. But these local farmers working for example on cocoa fields have never tasted chocolate. I saw some video, where some activists came to one african country to the cocoa field and showed them some chocolate and they did not know what it is. They did not recognize that it is the product they work so hard for. Still it is structure from business to business. It is a good strategy, I have to admit. Firstly we destroyed all environment and then let's make it „better“. The winners in this game called life are multinational companies and consumer (if can afford it). They really know, how to manipulate us, how to set the positioning and how to persuade you to buy what they need (no what you need). This all process is reinforced by social media, technology progress... They will tell you all the benefits and also it might be true, but there is almost always some „price“ behind. They will highlight the pros so much, put it to nice Instagram picture that you will not be even interested to know more, because they will get you. That is how they create the international demand which lately causes the strong pressure on devastation of possible arable land, for instance in Brazil. If I did not want to blame just globalization I would say that this process is also caused by population growth that is expected to increase, but still there are a lot of unaware consumers taking the possibility of eating food and drinking clean water for granted.

Conclusion

To conclude this essay I would like to say that there is a lot of factors contributing to ecological depletion. I put an emphasis on globalization, because that it nowadays the strongest process and seems quite unstoppable for normal consumer. Globalization may be good but also bad. Globalization is the process which is reinforced by the demand created by customers. If we thought more about our consumption, required more sustainable products or replaced them by something what we can make by ourself, there would not be so strong pressure on the world market. As we had the opportunity to see in this essay, there will be continuing pressures toward growing agricultural commodities. Corporations manipulate us very often and sometimes without our noticing. There we can see the Matthew's effect in practice, when the rich tend to be even richer at the expense of somebody. There is also our contribution and it is up to us what we will demand and what priorities we will set.

Ultimately, it is also up to policy makers, law enforcers to ensure the sustainability of the economy and the environment. Here I got to the introduction. This planet needs everybody to contribute to its wellbeing. If this is right, there is a possibility that globalization and healthy rainforest can co-exist together.

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