



## Critiquing carbon markets: A conversation

Larry Lohmann and Steffen Böhm

**Steffen Böhm (SB):** Larry, you and your colleagues have been at the forefront of the critique of carbon markets for almost a decade now. You have published a great number of books, pamphlets, newspaper articles, blog entries as well as academic articles, all of which you have made available on the Corner House website.<sup>1</sup> Many people from around the world, North and South, have downloaded these contributions, making it one of the key resource centres presenting critical thought on carbon markets. Let me congratulate you for making all of your work available free of charge; it's been invaluable for researchers like myself. Do you have any ideas about the number of people who have downloaded your papers as well as the other material you have made available over the years?

**Larry Lohmann (LL):** It's hard to say because of the unreliability of the devices that count 'hits' on websites, but wherever I go I'm amazed at the number of people who have made good use of our website and the websites of our colleague organizations.

**SB:** Do you find, when talking to people about carbon markets, that they know by now the basics about how they work, or do you think there is still a lot of ignorance and lack of information and knowledge about what carbon markets actually are? I'm asking because I must have formally presented and talked about the book I co-edited, *Upsetting the Offset: The Political Economy of Carbon Markets* (Böhm and Dabhi, 2009), more than 20 times over the course of the last two years. This has involved audiences ranging from undergraduate to PhD students, policy makers to business people, and a wide variety of academics, of course. But I'm still getting a sense that most people simply have no clue about what carbon markets are, how they function, who makes money and how, and what their implications and impacts are for people, politics and the environment. Do you think this is still a bit of a niche subject, or do you feel that there is now a broad understanding of carbon markets also amongst non-specialist audiences?

**LL:** You could almost say that carbon markets are designed *not* to be understood by ordinary people. One of the functions they have come to assume – partly by intention, partly not – is to conceal a lack of effective action about climate change. What is even more striking is the extent to which carbon markets are misunderstood by people that

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1 <http://www.thecornerhouse.org.uk/>

you might assume would know better: government officials, parliamentarians, economists, corporations, traders themselves, even many on the left. But maybe this phenomenon is predictable too. In both of these respects there is a parallel with the markets for subprime mortgage derivatives, which not only were designed in a way that foxed average investors but also – as Michael Lewis (Lewis, 2010) and many others have observed – were a site of mass self-delusion among the titans of Wall Street itself for many years. Or maybe ‘delusion’ isn’t the right word, since in both cases what is involved is less belief and disbelief (which falsely implies that all that is needed is ‘unmasking’) than fetishism, fantasy and magical thinking (cf. De Cock, 2009). Then the tipping point arrived, and the respectable, accepted wisdom abruptly switched from ‘this is normal; why are you raising questions?’ to ‘this is crazy; how did this happen?’ Maybe the same thing will happen with carbon markets. But to what extent that would lead to greater retrospective awareness of what has been going on during the past 15 years is – as with the derivatives markets – an open question. One that can only be settled by a commitment to continuing, dedicated activist discussion.

**SB:** If there are still people out there who have not heard about carbon markets, or know anything about their impacts and implications, how would you introduce them to this topic within a few lines? Recently, climate change has been less in the public’s mind; in the wake of the global financial/economic crisis, people are more concerned about their jobs and food/petrol prices than the price of carbon. So, why should we care about carbon markets today? Do you think it’s still important to talk about carbon markets or has the ‘caravan’ moved on, as it were?

**LL:** How I introduce a discussion of carbon markets depends on who I’m talking with. There’s no formula. In general, the topic is not hard to get into with villagers and activists from the global South and working-class audiences from the North, because they tend to have a background in the kind of analysis that is necessary. In discussions with (say) forest village leaders in Liberia, junior high-school students in the Philippines, social activists in the Andes or pollution-impacted poorer communities in the US, after 10 or 15 minutes you usually find that the audience is already exploring all of the essential issues involving political inequality, technical equivalences, colonialism, commodification, property rights and so on. And such audiences regularly wind up condemning carbon trading in terms whose strength would probably unsettle many genteel Northern observers, including academics. On the other hand, the concepts are more difficult to grasp for middle-class, highly-‘educated’ people from industrialized societies, so you have to approach the topic in a different way and expect the discussion to follow a different path.

Take for example the equivalence that carbon trading posits between emissions reductions and offsets. Audiences in the South will immediately see the significance of this constructed equivalence and put their finger on all of its contradictions and paradoxes, political and technical. Professional carbon trading practitioners are also aware of many of the issues, if only because it’s they who have to put in the hard graft, day after day, of building the equivalence in the face of forbidding obstacles, negotiating the relevant property rights among various mutually-hostile parties, etc. But your average highly-educated middle-class Northern audiences – including economists, diplomats, political scientists, ‘big green’ NGOs and parliamentarians – are more likely

to be predisposed to ‘black-box’ the processes by which this equivalence is created. They may wonder: Why are you spending time on something that ought to be unproblematic? Why are you challenging self-evident identities and neutral ‘economic instruments’? Why are you indulging yourself in these perverse, Garfinkelish questions? So with them you need to take a gentler, more roundabout route into the issue.

You ask why we should care about carbon markets. Well, that depends on who ‘we’ are. Millions of people in the Global South on the receiving end of the movements of dispossession in which carbon markets are implicated, as well as people in the North on the fence lines of polluting industrial installations, unfortunately don’t have much choice but to care, once they work out what is being done to them. Carbon markets are helping take away the basis for their livelihoods as well as their rights to the earth’s carbon-cycling capacity. Better-off intellectuals in the North, for whom carbon markets may be only an ‘interesting’ news item or a scholarly opportunity for the flexing of neoclassical or Foucauldian or Deleuzean muscles, might not be concerned in the same way. And for ordinary middle-class citizens of industrialized countries, the carbon market discourse might as well have been expressly designed to exclude them.

Regarding whether the ‘caravan’ has moved on, there are at least two questions here. First, are carbon markets on the way out? And second, is social transformation, or the study of it, best conceptualized in terms of ‘caravans’ drifting from place to place?

On the first question, we certainly have reason to hope that the current afflictions of carbon markets are terminal. The incoherence of the whole project is now coming home to many in the industrial, scientific and even banking sectors, as witness the recent pronouncement of one of Europe’s major electricity companies that the EU ETS is ‘dead’. On the other hand, on that strange world that my colleague Chris Lang from REDD Monitor calls ‘planet UN’ (Lang, 2011), it is still unthinkable that, once legislated, carbon markets could encounter any serious problems. Trevor Sikorski of Barclays Capital<sup>2</sup> noted wryly at the Durban climate talks that it was hard to find a UN negotiator from any country who had bothered to acquire even the slightest conception of where carbon prices were or how they had been behaving – this at a UN conference maybe 75 per cent devoted to negotiating carbon market mechanisms. Similarly, although the European carbon market is collapsing, ‘big green’ Washington NGOs are busily promoting the expansion of other carbon markets in China, Thailand, wherever. This seemingly odd split should alert us to the complexity and diversity of the various functions that carbon markets assume. The superficially spectacular ‘failures’ of carbon markets – to have any effect on climate change, to create a robust new financial commodity, to sustain market actors’ confidence – are, viewed from another angle, spectacular ‘successes’ in terms of their role in creating the need for more ‘technical’ work and in delaying action on fossil fuel use. You have to hope that reports of the impending demise of carbon markets are not exaggerated, but, on the other hand, you also have to learn to apply pretty broad criteria for what counts as ‘dead’.

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2 <http://www.thecarbonshow.com/people/trevor-sikorski>

So the current location of the ‘caravan’, if there is one, is a little difficult to specify at present. But even if, as is to be hoped, carbon markets do expire shortly, I suspect that academics will be coming back for a look at them for many years hence. Are you an economist looking to get a handle on how the next financial crisis will unfold? Are you a sociologist trying to grasp the processes and effects of new kinds of commodity formation? Are you a Marxist historian seeking to understand new mechanisms of dispossession and accumulation? Are you a scientist trying to assess the potential of ecosystems services markets to conserve biodiversity, water or wetlands, or the potential of the ‘green economy’ being heralded at Rio + 20? You’re hardly going to be able to avoid delving into the details of carbon markets. Carbon markets are not an ‘instance’ of an abstract approach or historical process which, once understood, makes the detailed study of them superfluous. Like many other contemporary phenomena, they are a constitutive part of the process through which neoliberalism finds itself. Treating carbon trading, complex financial derivatives, deregulatory manoeuvres and the like as incidental to the study of modern politics would be a little like treating what since the Second World War have become known as ‘area studies’ as incidental ‘illustrations’ of economic theory. The carbon market experience is not a ‘place’ that the caravan can leave behind. It is rather one of the wagons that make it up, to which new wagons such as ‘the green economy’ and ecosystems services trading will be hitched as time goes on.

**SB:** By all the usual criteria, the project of what Peter Newell and Matthew Paterson call ‘climate capitalism’ (Newell and Paterson, 2010) – a regime of capitalism geared towards decarbonisation of the atmosphere – doesn’t seem to be going very well at the moment. The price for carbon has collapsed dramatically recently (*The Economist*, 2012). The global climate negotiations responsible for setting up a worldwide market infrastructure have stalled, to say the least. Firms specialising in green finance seem to be struggling (see, for example, Coelho, 2012). Carbon bankers are decamping in search of other professions. Has ‘climate capitalism’ come to an end before it has even started, or is this just a temporary blip?

**LL:** There will always be fundamental contradictions with trying to create a climate commodity that go way, way beyond the problems of ordinary commodities or even complex financial derivatives. That aspect of ‘climate capitalism’ never had any chance of achieving success or even of formulating a coherent programme by any of the usual business or scientific criteria. But again we need to look at the deeper game. In the current economic crisis, the last thing business needs is any threat to fossil fuels, which historically have been indispensable to productivity and the extraction of surplus. This is the background that has shaped advocacy of carbon markets, even on the part of supposedly detached technocrats like big Washington NGOs and academic economists. One effect of the advocacy of the ‘necessary but impossible’ project of carbon trading has been 15 years of delay in tackling the issue of how to keep fossil fuels in the ground. That effect may be partly unintended, but it’s certainly a happy outcome for capital. In that respect, ‘climate capitalism’s’ very failure, provided it can be spun out long enough, is a success story for capitalism as a whole.

**SB:** What do you make of the recent Durban climate change conference, i.e., COP17?<sup>3</sup> Would you agree with me that we've basically come to the end of the road of the strategy to get a globally binding agreement through international, UN-led, negotiations? What's next in your view?

**LL:** Nearly two decades of UN negotiations have taught us that the technocratic attempt to substitute a 'neutral' programme of 'binding emissions cuts' for the needed programme of phasing out fossil fuels can't in the end make the climate action pill any easier for business and state actors to swallow. The 'binding cuts' are not binding when it counts – Canada, the US and other countries have made it clear that they are free at any time to withdraw from any agreement that actually threatens fossil fuel use. Nor are they really cuts, since their primary role is not to help phase out fossil fuels but merely to establish just enough scarcity – and no more – to enable a new commodity market to function. Once again, we're returned, unavoidably, to the painful necessity of mass organizing around the fossil fuel problem. Climate change is not an ozone-type problem that can be addressed by a UN protocol.

Durban brought these contradictions to a kind of climax. Without even much attempt at concealment, discussion moved increasingly to issues such as whether there should be emissions targets at all (how to keep the carbon markets going without targets was, revealingly, one question), or how much more land in the global South fossil-fuelled industry might acquire, through REDD, to absorb its emissions. In a misguided attempt at so-called 'damage control' against this nightmare agenda, many so-called 'progressive' voices, even from the South, were thrown back on the doomed strategy of trying to reinstate yesterday's Northern corporate agenda – imaginary 'binding targets', new export subsidies for Northern industry, 'defending Kyoto' and the rest of it – in place of the one that is becoming dominant today. That of course only reinforced the underlying elite politics that carbon markets represent.

**SB:** Let's go back in time for a minute. How did you become interested in carbon markets in the first place? What was the trigger for you?

**LL:** I was dragged somewhat unwillingly into the issue by my Southern activist colleagues in the World Rainforest Movement,<sup>4</sup> who saw in the late 1990s that carbon markets could serve as a new source of revenue for industrial tree plantation interests, particularly the pulp and paper industry. WRM, many of whose affiliated groups had a history of struggle against these large monocultures, was just launching an international campaign on the issue (which continues today). They thought the carbon issue needed further study. My colleagues and I took up the 'assignment' to look into it, and the more we did, the more we realized that the situation was even more disturbing than we had imagined.

**SB:** Could you talk a little bit more about your work in Thailand and other countries of Southeast Asia in the 1980s and 1990s? What exactly were the struggles and issues about that you were involved back then?

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3 <http://www.cop17-cmp7durban.com/>

4 <http://www.wrm.org.uy/>

**LL:** The work on plantations that led to my later involvement in climate market issues actually started for me in Thailand, where widespread land and forest disputes developed in the 1980s and 1990s over commercial eucalyptus plantations on lands formally held by the state, but de facto occupied and held by millions of rural villagers. I was also involved in many other issues, including struggles against large hydroelectric dams, such as Nam Choan, which was eventually defeated, and other projects in the Mekong and Chao Phraya basins.

**SB:** Back in the 1980s, nobody was talking about carbon markets, of course, but do you think there is a relationship between then and now? That is, have the issues fundamentally changed or are there contingencies in these struggles?

**LL:** The relationship is very close. The political education I received in Thailand in the 1980s has been indispensable to me in understanding the dynamics and conflicts surrounding enclosure, development, investment and finance that are also evident in carbon markets. Of course things are changing all the time, but it's essential to see carbon markets as part of a continuing evolutionary process involving struggles in all parts of the world.

**SB:** Let's talk concretely: when you look at today's REDD programmes, do you think they are any better than what you saw in Thailand in the 1980s and 1990s? The language used to sell REDD to a variety of stakeholders certainly seems to be all about participation, consultation, respect of rights, etc. So, do you think the forest policy makers and business people have learned to be more responsible, or have they simply learned to speak another, more humane, language?

**LL:** I don't find it particularly useful to analyse developments in terms of 'better' and 'worse', or in terms of elites supposedly trying to 'learn to be more responsible'. None of the grassroots activists I work with would use such a conceptual framework in trying to plan strategy. Indeed, they would probably see it as a recipe for reinforcing oppression. Of course, REDD-pushers, like the rest of us, will continue to develop their outlook and interests in the course of unfolding new languages, borrowing concepts from their enemies, and so forth. The deceptive language of 'stakeholders', which affects to give equal status to small farmers, extractive industries, private consultants, World Bank officials and government ministries, is one example. But the fundamental struggles won't go away, whatever turf they are fought on.

**SB:** In the 1990s you came to Britain from Thailand, settling in a small town in rural Dorset. The Corner House is perhaps not your average campaign organization or 'think tank'. Could you tell us a little bit more about it?

**LL:** Maybe the best way of understanding what The Corner House is, is to look at what we do. Some of this can be seen from our website: [www.thecornerhouse.org.uk](http://www.thecornerhouse.org.uk). We are basically three aging activists each of whom has many friends around the world who are dedicated to social change and who help us understand what contributions it would be appropriate for us, with our particular backgrounds and interests, to try to make at different times.

**SB:** When reading your work, one is struck by the fact that you have quite a few papers written in an academic style, yet you are not academic; you are not working in a university. You have published in ‘obscure’ academic journals, such as *Accounting, Organizations and Society* (Lohmann, 2009) and *New Political Economy* (Lohmann, 2010). These are clearly publications aimed at academics, rather than the broader public. Why is it important for you to publish in academic journals, which are often not accessible, publishing copyrighted material?

**LL:** With the exception of maybe one article on Southeast Asia and another on cost-benefit analysis, I’ve only ever written academic articles when the editor of a scholarly journal invites me to. But I’ve found the exercise to be extremely useful for activist work. The interchange with academics entailed by writing a scholarly article can be one contribution to the development of the common analysis of an issue, on a par with, and complementing, the work of day-to-day campaigning, study tours, speaking tours, strategic discussions with other activists, and so forth. The process of writing an article can also help deepen activist links with friends in the academic community, to the benefit of a movement as a whole, and helps signal an intention to make academic research ‘our own’. For me, sitting alone in a room agonizing over a paragraph in some academic paper will usually pay off in long-term campaigning results more than hanging around the UN or government ministries trying to insert sound bites into official discussions. So while it might seem to academics that a journal like *New Political Economy* is ‘aimed at academics’, from the outside I look at the process much more broadly. In this connection, by the way, I always insist on making available any article that comes out of this process to anybody that might want it, through our website, through the photocopying machine, or just through talks and discussions. Maybe in some cases this violates the proprieties of copyright – well, let them come for me with helicopter gunships.

**SB:** Have you ever thought about working for a university, or do you think your work is incompatible with the academic world? From what you know about universities today, what do you think would prevent you from engaging with carbon markets and other environmental issues in the way you do?

**LL:** Activist and scholarly work should never be incompatible. I feel that the struggle of my academic friends to maintain standards of social responsibility and responsiveness to public concerns in this era of the privatization and neoliberalization of universities is my struggle as well. In the current context, sure, it may well be easier for activists outside the university world to develop critical perspectives on something like carbon trading than those inside, but only if they are lucky enough to have the time and money to do so. And in any case such activists will, whether they like it or not, remain partly ‘inside’ the university world insofar as they rely on the work done there. I suppose this is where I locate myself – I don’t want to ‘work for’ a university but hope to continue to be part of an intellectual community that includes many academics.

**SB:** I first met you at a seminar organized by Donald MacKenzie<sup>5</sup> at Durham University. What do you make of his particular brand of ‘critique’? Is an actor-network

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5 [http://www.sps.ed.ac.uk/staff/sociology/mackenzie\\_donald](http://www.sps.ed.ac.uk/staff/sociology/mackenzie_donald)

approach ‘critical’, in your view? I very much value MacKenzie’s contribution and also Callon’s<sup>6</sup> to describing, in quite some detail, the historical emergence of financial markets, including carbon markets. But that’s it; they are mainly describing them. ANT and the sociology of markets approach are very good at describing the material and non-material processes of how things come into being. They are less good at critiquing them; that is, in my view, they have very little theoretical leverage for saying what might be wrong with this historical development.

**LL:** I’m not sure I accept the dichotomy between description and critique, or between trying to understand something and doing something about it. The actor-network approach offers many challenges to things like carbon trading that concerned activists can make use of. And intellectuals of a scientific or economic bent have been very sensitive to this.

**SB:** And how does this contrast with the Marxian approach of people such as John Bellamy Foster<sup>7</sup> and Jason Moore<sup>8</sup>? Both have not, at least to my knowledge, written about carbon markets, but you seem to have been inspired by their work. To start off with Moore, what do you get out of his work?

**LL:** One thing that Moore has really pushed me to pay attention to is that every world-historical cycle is ecological as well as political or economic.

**SB:** The main point Moore seems to make is that it’s not enough to talk about an environmental crisis of capitalism. You have quite a lot of people, probably including myself, who have been saying that capitalism is now turning itself into ‘green capitalism’, because it needs to respond to the environmental crisis, and that all these new market-based instruments – payments for ecosystem services, carbon markets, etc. – constitute the response of capitalism to this crisis, as it is trying to become ‘green’, modernizing itself through ecological modes ...

**LL:** ... yes, while Moore is saying that capitalism has always been implicated in environmental crises and has always had to be ‘green’ in order to grow.

**SB:** Exactly. At first sight this seems to be a subtle, minor point, but the more I think about it, this is probably quite a substantial and important reversal of our normal way of thinking. What it does is to get us away from this nature/society dualism, where capitalism is seen as the producer of so-called externalities, such as environmental degradation, which the system is now trying to internalise.

**LL:** Yes – the idea that there have always been cycles of relations that co-produce capitalist society and nature is important.

**SB:** That’s right; capitalism has always been what Moore calls an ecological regime, or, capitalism as world ecology.

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6 <http://www.csi.mines-paristech.fr/Perso/Callon/>

7 <http://sociology.uoregon.edu/faculty/foster.php>

8 <http://www.jasonwmoore.com/>

**LL:** That's another thing I like about him, actually, that he follows through on the assumption that what you call the nature/society dualism is constructed and contingent and that we have to problematise it at every point. Other people don't do that so much. As much as I love the work of people like John Bellamy Foster, I think Moore is more subtle in that respect. It's not that suddenly capitalism has reached its limits and now has to confront 'the environment'. We have to problematise these very categories of 'limits' and nature.

**SB:** Yes. Moore doesn't talk about an environmental crisis of capitalism, but about a continuous cycle of what he calls ecological transformations. It's actually quite interesting that we are here on this ancient mount in the middle of Dorset. Would the ancient civilization that lived on this mount be seen as a socio-ecological regime, in Moore's view? Does every society, capitalist or otherwise, have a (problematic) relationship to 'nature'? I don't think he's saying that. He's making a particular point about how capitalism relates to nature, and capitalism as an ecological regime, so there is something very distinct about capitalism that has altered the nature of the relationship between nature and society. And where does this leave us in terms of thinking about nature? Historically, and also within our current system, not everything is capitalist. So how exactly can we think about another way of relating to nature? Again, the question is; how do we critique our current reality? If everything is always already ecological, then you almost lose the explanatory power of talking about anything, natural or ecological. To use an example of what I mean: you have rich and long experience of travelling, working in Asia, and the so-called less developed world, or developing world. Would you say that that indigenous people, peasants, self-sufficient peasants and farmers in a less highly-developed world have a different relationship to nature? Perhaps what world-systems analyses are not that good at is to see the differences in the way this society/nature relationship is structured, also across different spaces.

**LL:** I think Jason Moore would be able to talk about the differences that do exist, without appealing to the anachronistic notion of their relationship to 'nature'. I would expect he could find other terms for talking about the different ecological regimes. Of course, most peasant and indigenous groups alive today have learned to talk the language of 'nature/society' as well as anyone else, but in a lot of their practices, they also provide a vocabulary for contesting the 'nature/society' dualism. Forget about 'nature' for the time being; consider the simple question, what is a forest? I think Jason Moore, if you asked him a technocratic question like how to define a forest, could easily go into his routine about the history of the ecological regime in question.

**SB:** How would an indigenous person look at this?

**LL:** The Karen of Northern Thailand, to take one example, would probably wind up interrogating the question itself. They might say: What does it mean when you (as an outsider) claim that this particular patch of our territory with trees on it is a 'field' or a 'forest'? Seventy years ago, the place we're standing on was covered with big trees. Sure, that's not the case now, because we've converted it temporarily to agriculture, but it will be trees again in another 70 years. Is it a forest or isn't it? I don't know – this is just the way we do things; we're not under any obligation to slot ourselves into your

categories. Okay, maybe that place over there on that faraway hill will always have trees on it, as long as we're here, but here where we're standing, it depends.

**SB:** How would you call that place, from an indigenous person's point of view, who has always lived in and with the forest? It's your place, your livelihood, your home, isn't it? It's not 'nature' as such, is it?

**LL:** Not in the standard sense that 'nature' has assumed in some industrialized societies.

**SB:** Their relationship is a very practical one. It's a kind of pragmatism almost.

**LL:** It's not really a question of whether it's pragmatic or not. The nature/society dualism prevalent in industrialized societies is also pragmatic, but for a quite different set of purposes. These contrasts only emerge when you see the conflicts between different societies or different groups, or the way different groups talk past each other, for example forestry department people and indigenous groups, or any different subsets of those groups.

**SB:** What are the interests of, say, forestry officials in places such as Brazil or Thailand? They are often directly connected to elite groups who want to make money with forests, aren't they? This is what the emerging REDD+ schemes are about, aren't they? What are the interests connected to this piece of land, a forest – and, connecting to Jason's argument, how are these different interests structured?

**LL:** You have to look at the details. Different forestry officials themselves have different interests, depending on their vocation and their salaries and their background and their job description. In Thailand, there has historically been a general interest maintaining the forestry department's control over land at all costs. There are specific interests connected to deals made with plantation firms or loggers and a long history of symbiosis between official foresters and logging companies, first the colonial logging companies and afterwards domestic logging firms. There's a whole political context, in Thailand at least, connected specifically with logging revenues, the Democrat Party, and forestry officials. It's the usual, extremely complicated story, and I assume Jason Moore wouldn't have any trouble in handling it if he had the time to go into the details. One important question is how the 'nature/society' divide, as remanufactured by forestry department officials, their friends in the World Bank, their other friends in conservation organisations, and so forth, does or does not enter into the story. The only reservation I have about the work of sophisticated theorists of capitalist cycles like Jason is that their resistance to things like the 'nature/society' dichotomy doesn't always extend to resistance to the 'capitalism/non-capitalism' dichotomy. Here my instinct is that Marx himself was not essentialist about capitalism, merely exploring certain aspects of what you might call an ideal type of capitalist logic to see where it went and continuously bringing that into relation with close historical analysis. But I could be wrong about that.

**SB:** What do you mean by the 'capitalism/non-capitalism' dichotomy?

**LL:** I think there's a tendency to adopt misleading territorial metaphors with respect to capitalism. People think of there being an 'inside' and an 'outside' to capitalism, with

capitalism ‘bringing things inside itself’ or ‘being resisted and the borders maintained with integrity’. My feeling is that this dichotomy itself has to be resisted. That’s one thing I’ve learned from Latour<sup>9</sup>, Callon and the science studies people, as well as Timothy Mitchell, the scholar of the Middle East.<sup>10</sup> Mitchell is probably the best of the lot in terms of drawing out the conclusions and in helping us see the capitalist/non-capitalist border as itself a construction which is continuously manufactured and remanufactured, often for nefarious purposes, by both our friends and our enemies.

**SB:** One could reply to that by saying, well, isn’t it equally a problem that the Latourian regime of analysis sees everything as like a big flow, everything being connected ...

**LL:** I think the retort that we don’t want to say that everything is a big flow in fact derives from the same misleading territorial metaphor. The metaphor of a territory which might or might not have internal boundaries is a problem, I think. I think Latour’s and Callon’s suggestion is to get away from that whole metaphor entirely. Mitchell talks about, not a boundary, but a continuously moving horizon. That’s a different metaphor, which criticizes both the capitalist/non-capitalist dualism and the ‘everything is flow’ picture, by trying to get away from the ideas of ‘inside’ and ‘outside’.

**SB:** In the book *Pandora’s Hope* (Latour, 1999) and elsewhere Latour is quite scathing about many aspects of Marxism. He sees it as a very specific social, or even artificial, construction. In response to Marx’s conception of commodity practices, he talks about what he calls the ‘factish’, rather than the ‘fetish’. Latour says that there are certain facts, which are material and immaterial (social) at the same time, that become privileged. He wants to understand how these are constructed, and in a way, ‘Marxism’ itself could be seen as such a ‘factish’. So, rather than privileging Marx’s analysis of ‘commodity fetishism’ (Marx, 1976), Latour rather speaks of ‘factishes’ (Latour, 2010).

**LL:** I’m a big fan of a lot of what Latour writes, but I’m not certain that this doesn’t amount to a caricature of Marx.

**SB:** I also find the Latourian social constructionism approach very useful, while continuing to get inspiration from Marx. I’m interested in reading both, without necessarily wanting to conflate them. I think Latour basically doesn’t ‘get’ Marx, for a variety of reasons. I think there is something in Marx’s analysis of the commodity that needs to be retained, and that cannot be simply ‘flattened out’, as it were. If Latour has a horizontal ontology, then I still think that the commodity plays a privileged, hierarchical, role in that ontology. Latour is not able to tell us much about how and why the commodity fetish or factish rules the world, and this is where I see the limits of the work of Latour, but also of people like Donald MacKenzie. I value Donald’s work, and I think he probably tries to move it beyond Latour and also Callon. I’ve recently reread the *Accounting, Organizations and Society* (2009) special issue on carbon markets, and I think there’s a stark contrast between the MacKenzie and Callon papers in there. But what neither paper is able to do is to develop any critical logic that tells us about what

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9 <http://www.bruno-latour.fr/>

10 <http://www.columbia.edu/~tm2421/>

might be ‘right’ and ‘wrong’ about carbon markets, and why one should support or resist them; who are the losers and winners? Questions of ethics and justice are completely missing in the ANT / science studies world.

**LL:** I think I know what you mean, but might put it in a different way. I’ve been greatly influenced by ANT and by science studies more generally, but I’m not sure to what extent I would regard Callon or Latour as political comrades in particular struggles. At the seminar you mention, I’m afraid, I couldn’t make head or tail of what Michel’s political programme was regarding French regulation. Donald, too, despite his fascinating work on financial and carbon markets and his very friendly and appreciative attitude toward activists in the field, seems to have a rather insouciant attitude toward the social and environmental implications of the markets. But this may just be my own lack of acquaintance with his work. I remember Donald telling a funny story of how some zealot within the US weapons community read his book on nuclear weapons and kept trying to get him to testify before Congress to help further his point of view on nuclear deployment or some such thing. Donald was rather bemused by this. ‘I would have thought that anybody who read my book would understand my anti-nuclear stance, but this person just didn’t get it,’ he said.

**SB:** Could a Latourian methodology be complemented with a more critical, or, if you want to call it that, a Marxist approach? Maybe there are inherent contradictions in trying to put these two together, I don’t know. There is a book by Latour, called *The Politics of Nature* (Latour, 2004), in which he battles with these kinds of questions himself. He asks himself, what is politics? What is nature? I think there are complementary territories between say Moore, or a world-systems approach, and Latour. They both want to resist these dualisms between the material and the immaterial, between nature and the human. But, when it comes to politics, Latour is quite ‘wishy-washy’...

**LL:** ... let’s create a nice parliament where things and trees can be represented along with everybody else.

**SB:** Yes, that kind of thing. It’s this big mishmash where the human and non-human world comes together, each speaking for itself, and the political act of the investigator is to follow these actors around, and see what and how they speak.

**LL:** I couldn’t get through the book, partly because I find any kind of idealism or utopianism both boring and dangerous, in an almost instinctive reaction.

**SB:** There’s a void where there should be an attempt at a concrete understanding of socio-ecological struggles.

**LL:** I agree, although I usually assume it’s a deficiency in myself to have such a reaction. In a strange sort of way, I find myself more attracted in science studies by the work of someone like Harry Collins,<sup>11</sup> who is probably regarded by Callon or Latour as

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11 <http://www.cardiff.ac.uk/socsi/contactsandpeople/academicstaff/C-D/professor-harry-collins-overview.html>

still being in thrall to the sociology/non-sociology dualism, or the idea that there is such a thing as society distinct from nature. Collins may also be somewhat idealist in his political programme, but he does make interventions that are often easier for me to understand. One example is his insistence, as I read it, that the prevailing dualistic attitude towards science is a political problem. He's referring to the way we tend to flip-flop between either believing everything that scientists say – once they're through with their research at the laboratory bench and the sanitised, black-boxed result is presented to the public – and, if we are unable to accept what they say, of claiming that the problem must be their 'vested interests' or other 'impurities' sully the disinterested workings of 'scientific method'. How to struggle against this attitude that there is such a thing as a 'pure science' separate from politics? Collins is very clear on the framing of this problem – so is Donna Haraway<sup>12</sup> – if less clear on how to tackle it.

**SB:** I have a practical question: how could Moore's analysis inform politics and struggle about carbon markets and the new ecosystem accumulation strategies? Sometimes one could read Moore's analysis as saying, well, it's all to do with accumulation cycles, over- and under-production, and financialization, and there's not much we can do about that.

**LL:** I'm not sure I would agree. I think there are a lot of potential activist uses for a Jason Moore kind of approach. For example, it might help in countering the sort of ahistorical, apolitical approach represented by the Newell and Paterson book you mentioned earlier, which, although it is not intellectually significant in itself, is important in that it represents a kind of view (or perhaps fetish) fairly common among Washington-based NGOs, neoliberal ideologues and certain groups of academics. Newell and Paterson think, for example, that it's great that the financial sector got so involved in carbon trading, because that put another powerful social grouping on the 'right' side in the climate battle. It strikes me that it's easier to destroy that type of superficial argument when you can supplement your own political experience with the historical analysis that someone like Moore provides about how finance actually functions in this phase of an accumulation cycle.

**SB:** Why do you think Newell and Paterson made that argument, by the way?

**LL:** I don't know; I would have expected better from them. It's as if they were to say that since small farmers have historically used derivatives contracts whenever they can in order to lock in decent prices for harvests, the fact that investment banks and hedge funds have entangled the world economy so deeply in derivatives means that the interests of Wall Street and small farmers are now at last happily aligned. In my world, you have to go a long way to find naiveté that appalling, but given certain contexts, even the most intelligent people have these strange little blind spots.

**SB:** I think you let Newell and Paterson off the hook a little bit too easily. I think there's actually something in their analysis which directly leads to their conclusion, which is to do with their particular interpretation of Gramscian thought. The argument goes something like this: there are always particular regimes of accumulation and legitimacy

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12 <http://www.egs.edu/faculty/donna-haraway/biography/>

that work together to achieve certain outcomes, and if you want to achieve a particular outcome, then you basically have to align capital, civil society and government in such a way that certain ‘governance’ outcomes can be achieved. And if the outcome desired is to decarbonise the economy, we need to give incentives to capital to decarbonise and get civil society to sign up to this and governments to organise it. I’m simplifying massively, of course, but I think they see this as a pragmatist application of Gramsci.

**LL:** This is not Gramsci. Gramsci spent too much of his life in prison not to understand the difference between various senses of ‘alignment’. Goldman Sachs and small farmers are not going to ‘align’ in a lasting and politically-effective way just because they both happen to have an interest in futures contracts. Deutsche Bank and La Via Campesina<sup>13</sup> are not going to ‘align’ around the cause of climate action just because Deutsche Bank has the idea it might be able to make some money out of carbon and La Via Campesina also deploys the word ‘carbon’ in its advocacy of peasant agriculture. Gramsci knew better than to indulge in such ivory-tower abstractions. Have Newell and Paterson ever actually tried to build a movement together with Wall Street bankers? Being able to judge what kind of ‘alignment’ works and what doesn’t comes from years of hard experience and lengthy, detailed analysis. It can’t be replaced by a cartoonish misreading of some book by Gramsci.

**SB:** It is that Newell and Paterson are distanced from practice in your view?

**LL:** Not from academic practice, perhaps just from *realpolitik* in the wider world. Maybe when you get a group of people together who are subject to incentives to trap themselves in reified territorial or geographical metaphors about capitalism, it just becomes difficult to use your head or apply your own experience. Suddenly, multiply nonsensical abstractions like ‘we can’t get outside capitalism, so we have to work within it, and working within it means enlisting Wall Street, therefore enlisting Wall Street must be possible’, etc., etc. come to seem reasonable. But who knows?

**SB:** This brings us back to the ‘university’. I’m working in a business school, where there are very specific requirements, forces and strategies in place to organise research in a particular way. It’s not the same everywhere, of course. Some places are different, and even within the business school system in the UK there are remarkable pockets of advanced critique. The point is that academics are conditioned by the university.

**LL:** I agree. Just as we’re all conditioned by our surroundings. It’s not that academics never talk to people on, say, Wall Street, but the structure within which they talk to them – a ‘semi-structured interview’ or whatever – can easily encourage them simply to write down whatever the Wall Street person is trying to make them believe that they think, in terms of theories of social change, for example. Of course, the Wall Street person will rise to the opportunity and say, if you want to change society, then you have to talk to me. We will invest here and there, and don’t worry, we can have these legal guarantees and safeguards, etc. This tells you nothing about practical political alliance-building or about how social change actually happens.

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13 <http://viacampesina.org/en/>

**SB:** Can you also reflect about your own position, vis-à-vis the university system? You obviously made a conscious choice to be outside it, but do you think that people positioned in a university are necessarily too narrowly conditioned? That is, do we need more thinkers, rather than academics, who are also ‘organic intellectuals’, if you want to call them that? Thinkers who are actually outside the university, or if they’re in a university, then actively engaged in movement building? Would you say that they need to come outside their traditional academic halls?

**LL:** Well, we could all do with a bit more of that. The question is how to make it happen. I think it’s worth studying the decline over the 20th century of things like labour union study groups. We talk about ‘organic intellectuals’, but what about the contexts that encourage them? I have no idea about what it was like in the early or middle 20th century in labour movements, anti-Nazi movements, civil rights movements or other movements, but I get an impression of a different kind of intellectual ferment than we have today in industrialized societies, at least in Western Europe and the US. Whole ranges of working people who got together to talk about politics. What might we learn from the longer history of contexts that nurture ‘organic intellectuals’ that could help us cope with this divide today between universities and much of the rest of society?

**SB:** Well, let me say, Larry, you are one of the few ‘organic intellectuals’ I know, and I would like to thank you for your tremendous contribution to our understanding and critique of carbon markets and the emerging regime of ‘climate capitalism’. Thank you also for engaging in this conversation. All the best to you.

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