



TNI ANNUAL
REPORT 2012:
IDEAS IN
MOVEMENT

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TRANSNATIONAL INSTITUTE

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A BRIEF HISTORY OF TNI

The Transnational Institute (TNI) was founded in 1974 as the international programme of the Washington DC-based Institute for Policy Studies. For almost 40 years, TNI's history has been entwined with the history of global social movements and their struggle for economic, social and environmental justice.

Soon after its founding, TNI threw itself into the international campaign to isolate Pinochet's military dictatorship in Chile, and by 1976 it was helping to link up social movements working to boycott apartheid South Africa. This set the tone for its subsequent work.

Where TNI marked itself out, however, was in identifying crucial issues on the horizon before others noticed them. TNI started working on Third World debt in 1982, many years before it was taken up more widely. In 1995 TNI was among the first to draw attention to the dangers of the World Trade Organization (WTO), producing the only critical materials published on the WTO in its early years.

As an international network of scholar-activists committed to social change, TNI played a key role in putting these concerns on the agenda of social movements.

CREDITS For more information contact tni@tni.org | **Written by** Tom Walker | **Art Direction and Design by** Sue Cowell | Atomo Design | **Printed by** Jubels, Amsterdam | **Published by** The Transnational Institute, De Wittenstraat 25, 1052 AK Amsterdam, The Netherlands. Tel +31 20 6626608. Fax +31 20 6757176. www.tni.org | Printed on FSC certified paper | © TNI 2012. This publication may be reproduced or copied provided that TNI is credited.

Its decades of work on issues related to corporate globalisation are recognised as having laid critical groundwork for today's global justice movement.

The institute has never been simply a voice of criticism, however – it has always sought to put forward alternative policies. Throughout its existence TNI has involved those at the frontline of struggles in discussions with researchers and policymakers about these alternative policies, both supporting and learning from grassroots movements.

TNI has done much work, for example, in ensuring that peasant farmers have a voice in international drugs policy, and is now acknowledged as one of the world's foremost non-governmental authorities on drug-related policy issues. More recently it has pioneered critiques of the commodification of nature and carbon trading, transnational corporations and the legal frameworks that protect their power, financial liberalisation and austerity policies, and much more besides.

Almost 40 years on, TNI's founding spirit of engaged scholarship in the service of social movements remains as lively as ever.

733,792

page views on
the website

34.5%

annual increase
in web visitors

1,472

e-learners

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40

publications

128

directly collaborating
organisations and
networks in 31
countries

20,229

subscribers to TNI
information services

**"You are doing such terrific
work these days. Congrats!"**

Naomi Klein, author of *The Shock Doctrine*

MESSAGE FROM THE DIRECTORS

IDEAS IN MOVEMENT: TNI IN 2012

In 2012, the relevance of TNI's unique location between movements, researchers and policymakers was once more confirmed.

Major political shifts took place on drugs policy and Burmese politics, allowing us to seize the moment and advance our goals.

As Burma opened up following the release of many political prisoners, the easing of sanctions, and the re-entry of Aung San Suu Kyi to public office, TNI helped to support the fragile peace by giving voice to ethnic minorities in the borderland regions where conflict persists. We also deepened our work on the interconnected issues of land rights, natural resources, drugs and the impact of new investment.

TNI also made a significant contribution to the dramatic developments in drug policy in the Americas. These included the Uruguayan government moving towards state control of the cannabis market, the successful re-adhesion of Bolivia to the international drug convention while demanding respect for the indigenous practice of coca-leaf chewing, and the unprecedented stance of the Organization of American States calling for a profound analysis of the international

drug regime. TNI was much in demand from governments to advise on drug control mechanisms consistent with human rights and harm reduction, one of our key objectives.

TNI produced abundant accessible and high-quality research on 'land grabbing' and what is driving it. Our work highlights not only land, but also water and forests, seized by players including local elites, European banks and pension funds.

We produced an influential publication, *Profiting from Injustice*, exposing the dubious and expanding business of legal arbitration of lawsuits brought by international corporations against national governments. It sparked an important internal debate among international arbitration lawyers just as it captured the interest of Southern governments. This pioneering report was part of our broader objective to expose the 'architecture of impunity' within which transnational corporations operate. One major outcome of this work was the launch at the Rio+20 People's Summit of a global campaign for legally binding obligations for transnational corporations 'to do no harm'.

In response to the depressingly persistent crisis in Europe, and the undemocratic austerity responses to it, TNI began new work to help pan-European movements

develop strategies, reinvigorate an alliance of progressive European economists, support youth organised through Occupy and the Indignados and encourage trade unions to reclaim a say in the economic governance of Europe.

Increasing our outreach was an overall strategic objective for TNI in 2012. We embarked on an ambitious experiment with e-learning, launching a course on participatory democracy – a subject on which TNI has accumulated much expertise. The course attracted an astonishing 1,472 people, mainly from Africa. We stepped up our social media presence and overhauled our website, introducing more audio-visual materials and infographics. Site visits have since risen by a third. We produced 32 publications in 2012, and logged media citations in important publications across the world, including *Christian Science Monitor*, *CNN*, *LA Times*, *Die Zeit*, *Il Manifesto*, the *Guardian*, *De Trouw*, *Het Parool* and *Bangkok Post*.

TNI is very proud of what our small team of 18 people – supported this year by 4 volunteers, 4 interns, some 41 freelance workers, and over 100 collaborating organisations worldwide – can achieve within a very tight budget. The institute managed to raise its income by 18% on 2011, which enabled us to increase the hours of our

existing staff by 0.8 full time equivalent (FTE) to 13.44 FTE while just balancing our budget (see page 42).

We are convinced that an institute like ours has never been as well placed to do what we do – provide empowering information which can support a critical mass working for real transformation in the public interest. We wish we could do even more but without your support this will be impossible. Our deepest wish is that this report will inspire you to support TNI in whatever way you can. We need funds – our future is by no means certain. Please donate whatever you can through our website, contacting our office, leaving a legacy in your will or inviting us to submit a grant application. Whatever is within your means, your support makes a crucial difference to our capacity to put ideas into movement.

Yours



FIONA DOVE
Executive Director



DR SUSAN GEORGE
President of the Board of Directors

EXPOSE

PRO



EXPOSE

From land grabs to drugs policies, TNI shines a spotlight on the failures of current policies and strategies.

PROPOSE

But TNI doesn't just expose – through our research and advocacy work, we always try to propose a viable alternative.

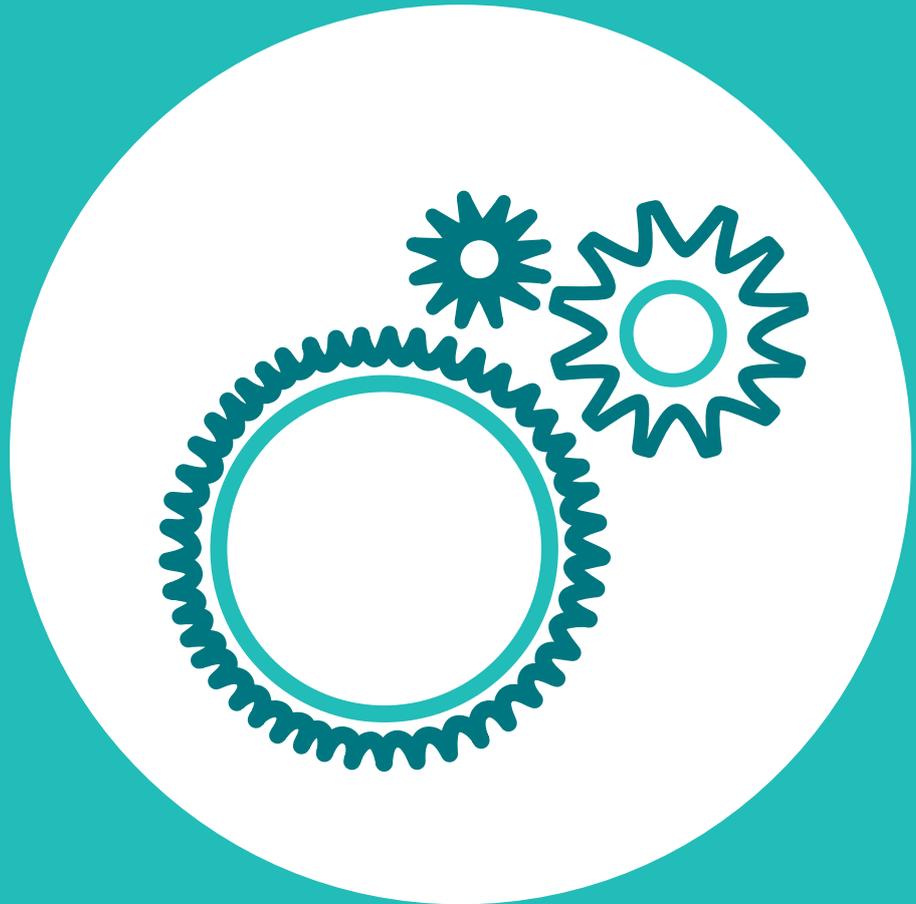
PRACTICE

TNI offers support to the networks putting those alternatives into practice, facilitating, advising and documenting their work.

POSE



PRACTICE



PUBLICATIONS 2012

ECONOMIC JUSTICE



PUBLIC ENTERPRISES: TRANSFORMATIONS, CHALLENGES AND OPPORTUNITIES Daniel Chavez,

December 2012. Co-published with ANTEL and Miemdni. Conference report: The latest learning and innovation by state-owned enterprises across Latin America affirmed their importance as instruments for economic and social development.



PROFITING FROM INJUSTICE Cecilia Olivet and Pia Eberhardt, November

2012 (also in Spanish, with Executive Summary also in German, Dutch, French). Co-published with Corporate Europe Observatory. A small club of international law firms, arbitrators and financial speculators are fuelling an investment arbitration boom that is costing taxpayers billions of dollars and preventing legislation in the public interest.



THE EU CRISIS POCKET GUIDE TNI, November 2012 (updated English edition; also in Spanish, Italian, Dutch).

A useful pocket guide on how a crisis made in Wall Street was made worse by EU policies, how it has enriched the 1% to the detriment of the 99%, and outlining some possible solutions that prioritise people and the environment above corporate profits.



ALTERNATIVAS A LA PRIVATIZACIÓN David A. McDonald and Greg Ruiters (eds; translated from English by Beatriz Martínez Ruiz), October 2012.

Co-published with Municipal Services Project and Icaria. There is a vast literature for and against privatising public services. Those who are against privatisation are often confronted with the objection that they present no alternative. This book takes up that challenge.



DOSSIER ON EU-COLOMBIA FREE TRADE AGREEMENT Laura Rangel, September 2012 (also in Dutch and Spanish). Focusing on mining, palm oil and

dairy, this briefing highlights the human rights implications of the EU-Colombia Free Trade Agreement.



BIO-ECONOMIES Ronnie Hall and Joseph Zacune, June 2012.

Co-published with World Development Movement. The European Commission's promotion of 'bio-economies' as a central focus at Rio+20 is more about protecting banking, biotech, manufacturing, agribusiness and energy sectors than defending vulnerable communities and the environment.



TRANSNATIONAL CAPITAL VS PEOPLE'S RESISTANCE Gonzalo

Berrón and Brid Brennan (eds), June 2012 (also in Spanish). Special guest edition of ALAI's "Latin America in Movement" magazine. How does transnational capital function? Where does it operate? What globalised logic does it follow? What is the magnitude of its abuses and its social, economic and environmental irresponsibility? And what challenge do we see emerge for us, the people?

PUBLICATIONS 2012



NUCLEAR PHASE-OUT PUT TO THE TEST

Nathalie Bernasconi-Osterwalder & Rhea Tamara Hoffmann,

June 2012. Co-published with SOMO and Powershift. Swedish energy company Vattenfall filed a request for arbitration at the International Centre for the Settlement of Investment Disputes (ICSID), after Germany's decision to phase out nuclear energy.



GLOBAL CRISES: REGIONAL SOLUTIONS

Cecilia Olivet, May 2012

(also in Spanish). In this interactive video, activists from Asia, Africa, Latin America and Europe argue that regional integration is the only viable response to the convergence of economic, climate, food and energy crises



THE DARK SIDE OF INVESTMENT

Cecilia Olivet and Nick Buxton, May 2012 (also in Spanish). An animation

which exposes how people are paying the costs of corporate lawsuits under international investment agreements.



REMUNICIPALISATION: PUTTING WATER BACK INTO PUBLIC HANDS

Martin Pigeon, David A. McDonald, Olivier Hoedeman and Satoko Kishimoto (eds),

March 2012. Co-published with Municipal Services Project and Corporate Europe Observatory. After decades of failed water privatisation, cities like Paris are starting to bring water back into public hands. A 'must-read' book for policy makers and activists looking to democratise water services.



STATE OF CORPORATE POWER 2012

TNI, January 2012 (also in Spanish).

Powerful infographics exposing who the global 1% are, how rich they actually are, what companies they run and their influence on policy.



THE POLITICS OF CLIMATE CHANGE AND THE GLOBAL CRISIS

Praful Bidwai, January 2012. This cogent book

elaborates the politics of the international climate negotiations; with an emphasis on the role of India.

AGRARIAN JUSTICE



COMPETING POLITICAL TENDENCIES IN GLOBAL GOVERNANCE OF LAND GRABBING

Saturnino M Borrás Jr and Jennifer C Franco and Chunyu Wang,

December 2012 (also in French and Spanish).

In response to land grabbing, three political tendencies shaping the global debate and the potential future trajectory of land governance are identified.



THE GLOBAL LAND GRAB: A PRIMER

TNI, October 2012 (also in French).

A concise and critical guide to land grabbing -- how the global land grab is justified, what is driving it, why transparency and guidelines won't stop it, and the alternatives that could enable people and communities to regain control of their land and territories.



GLOBAL TREE PLANTATION EXPANSION

Markus Kröger, October

2012. Co-published with Initiatives in Critical Agrarian Studies (ICAS) and Land Deal

PUBLICATIONS 2012

Politics Initiative (LDPI). The expansion of tree plantations and non-food crops is a crucial part of the land grabbing picture frequently left out of analysis on land grabbing. An up-to-date review of tree plantations worldwide that summarises the latest research and data on their impact.



LAND GRABBING IN DAWEI Elizabeth Loewen, *October 2012*, Co-published with Paung-ku, Myanmar. The Dawei

region of Burma/Myanmar is a highly populated and prosperous region, significant because of its ecological diversity and strategic position along the Andaman coast. Thai interest in the region poses an environmental threat and risks massive expulsion of people.



A 'LAND SOVEREIGNTY' ALTERNATIVE? Saturnino M Borras Jr and Jennifer C Franco, *July 2012* (also in

French and Spanish). Land sovereignty is the right of working people to have effective access to, use of, and control over land and the benefits of its use and occupation, where land

is understood as resource, territory, and landscape.



THE GLOBAL WATER GRAB: A PRIMER

Jennifer C Franco and Sylvia Kay,

March 2012. Water grabbing refers to

situations where powerful actors take control of valuable water resources for their own benefit, depriving local communities whose livelihoods often depend on these resources and ecosystems.

HANDS OFF THE LAND SERIES



HUMAN RIGHTS IN NIASSA PROVINCE

Philip Seufert (ed) FIAN International,

September 2012. How do the tree plantations in Mozambique's Niassa province impair the rights of peasant communities? What can the different actors involved do?



BANACOL IMPLICATED IN PARAMILITARISM AND LANDGRABBING IN COLOMBIA Interchurch Justice and

Peace Commission, FDCL, *September 2012*

(also in Spanish). Evidence shows that transnational tropical fruit producer Banacol provided support to paramilitary groups and predatory businessmen involved in land-invasions in Colombia.



SECURE PEOPLES' ACCESS TO LAND

Claire Guffens and Florence Kroff,

September 2012. An exploration of the potential and challenges in implementing the new FAO "Voluntary Guidelines on the responsible governance of tenure of land, fisheries and forests in the context of national food security".



POSITIVE LAND INVESTMENT ALTERNATIVES Sylvia Kay,

July 2012 (also in French and Spanish).

Much touted "land investment" involves appropriation or land grabbing. Positive alternative investments are outlined, which would strengthen the right to food, re-valorise agricultural work, and build up ecological capital.

PUBLICATIONS 2012



THE EUROPEAN UNION AND THE GLOBAL LAND GRAB TNI, June 2012.

This fact sheet highlights the involvement of the EU in the global land grab, both directly through the involvement of European capital and corporations in the acquisition of land and indirectly through EU policies that commodify land.

POLITICS



OCCUPY THE LEFT OR IGNORE IT?

Christophe Aguiton and Nicolas Haeringer (translated from French by Judith Hitchman), May 2012. Why the traditional Left needs to understand, be willing to be challenged, and fully embrace the Occupy and Indignado movements.

PEACE AND SECURITY



THE OTHER BURMA Ben Hayes,

October 2012. Northeast India's strategic location between China and south east Asia has led to a recent boom in

resource extraction and investment by multinational corporations, but the world remains largely silent on the human rights abuses that continue to be perpetrated by the Indian military.



COUNTER-TERRORISM, 'POLICY LAUNDERING' AND THE FATF Ben

Hayes, March 2012. A lack of democratic control, oversight and accountability of the Financial Action Task Force (FATF) has allowed for regulations that circumvent concerns about human rights, proportionality and effectiveness.

DRUGS & DEMOCRACY



THE NORTHERN TRIANGLE'S DRUGS-VIOLENCE NEXUS Liza ten

Velde, November 2012 (also in Spanish). *Drugs & Conflict Debate Papers no. 19.* The countries of the Northern Triangle are experiencing much higher rates of violence and increasing Drug Trafficking Organization (DTOs) activity than Mexico which has

occupied the limelight. To what extent is the drugs trade responsible for this violence?



FACT SHEET: COCA LEAF AND THE UN DRUGS CONVENTIONS

October 2012 (also in Spanish). 10 Facts about the Coca leaf and the UN Drugs Conventions

SERIES ON LEGISLATIVE REFORM OF DRUG POLICIES



BOGOTÁ'S MEDICAL CARE CENTRES FOR DRUG ADDICTS (CAMAD) Julián

Quintero, November 2012 Series on Legislative Reform of Drug Policies No. 22 (also in Spanish). In September 2012, the mayor of Bogotá, Gustavo Petro, launched the first centre for drug addicts in the Bronx, a marginalised city-centre neighbourhood. The people given care in these centres are in an at-risk situation and socially excluded due to their high levels of drug dependency.

PUBLICATIONS 2012



A BREAKTHROUGH IN THE MAKING?

Amira Armenta, Martin Jelsma and Pien Metaal, July 2012. No. 21

(Also in Spanish). There is an undeniable regional trend of moving away from the 'war on drugs' in Latin America. This briefing explains the background, summarises the state of ongoing drug law reforms, and makes recommendations to move the debate forward.



DRUGS, CRIME AND PUNISHMENT

Gloria Lai, June 2012. No. 20 (Also in Spanish). Proportionality is one of the

key principles of the rule of law aiming to protect people from cruel or inhumane treatment. The level of penalisation should be determined according to the severity of damage that a certain behaviour causes to others or to society.



TOWARDS REVISION OF THE UN DRUG CONTROL CONVENTIONS

Dave Bewley-Taylor, March 2012.

No. 19 (Also in Spanish). Recent years have seen a growing unwillingness among increasing numbers of States to fully adhere to a

strictly prohibitionist reading of the three principal UN drug control conventions.



THE LIMITS OF LATITUDE **Dave Bewley-Taylor and Martin Jelsma, March 2012.** No. 18 (Also in Spanish).

A growing number of nations are developing policies that shift away from the prohibition-oriented failed approach to drugs control. Ultimately however nations will need to reform the overall UN based global drug control framework of which practically all nations are a part.



CHEWING OVER KHAT PROHIBITION

Axel Klein, Pien Metaal and Martin Jelsma, January 2012. No. 17 (Also in

Spanish). Khat has been consumed for thousands of years in the highlands of Eastern Africa and Southern Arabia. Strict bans on khat introduced in Europe ostensibly for the protection of immigrant communities have had severe unintended negative consequences.

BURMA



PROSPECTS FOR ETHNIC PEACE AND POLITICAL PARTICIPATION

TNI/

Burma Centrum Nederland, August

2012. Conference report: Ceasefires have been agreed; the NLD has elected representatives in the national legislatures; Western sanctions are being lifted; and the World Bank and other international agencies are returning to set up office in the country. Such developments are likely to have a defining impact on ethnic politics, which remains one of the central challenges facing the country today.



FINANCING DISPOSSESSION

Tom

Kramer and Kevin Woods, February

2012 (also in Chinese). China's opium crop substitution programme has very little to do with providing mechanisms to decrease reliance on poppy cultivation or provide alternative livelihoods for ex-poppy growers. Financing dispossession is not development.

PUBLICATIONS 2012



ASSESSING BURMA/MYANMAR'S NEW GOVERNMENT TNI/Burma Centrum Nederland, *February 2012.*

Burma is in the midst of its most important period of political transition in over two decades. TNI and BCN hosted a conference to look at the challenges and opportunities in five key areas: politics, ethnic relations, the economy, social and humanitarian affairs, and the international landscape.



ENDING BURMA'S CONFLICT CYCLE? TNI/Burma Centrum Nederland, *February 2012.* Burma Policy Briefing

No. 8 Peace does not just involve the government and ethnic armed opposition groups, but involves all of Burma's citizens.

BURMA POLICY BRIEFING SERIES



BURMA AT THE CROSSROADS TNI/ Burma Centrum Nederland, *June 2012.*

Burma Policy Briefing No. 9. The people of Burma are at a critical juncture in their struggle for democracy and ethnic reform. Decisions taken by leading parties and protagonists in the months ahead could well define the direction of national politics for many years to come.

DEMOCRACY + PUBLIC SERVICES

Campaigning against the privatisation of public services has been a central part of TNI's work for many years. While exposing the many problems caused by private corporations is a necessary part of the task, what is distinctive about TNI's work is its focus on alternatives to privatisation. TNI documents and shares successful, and often very innovative, experiences of publicly managed services that have improved their reach and quality. The key to success is genuine participation of those involved in providing and using the services.

SHARING PUBLIC INNOVATION

Since 2005, TNI has been instrumental in catalysing and supporting the Reclaiming Public Water network, which has grown to include 220 organisations in 71 countries. This is an open, multi-sectoral network that enables activists, trade unionists and academics to work together with water utility managers and engineers to promote democratic, public models for providing water as the best means of ensuring safe, affordable access to water for all. TNI functions as the facilitating hub of the network.

In 2012, the global water justice movement came together in a 4,000-strong mobilisation against the World Water Forum in Marseille in March, aimed at exposing the forum as an illegitimate body that is in reality run by and in the interests of transnational corporations. TNI played a significant role in preparing the Alternative World Water Forum, also convened in Marseille. TNI's particular contribution to the forum focused on community water partnerships, how communities, workers and water managers can work together to provide better public water services. This included bringing practitioners from Europe to share their experiences of transnational public-public partnerships, involving both utility providers and



communities, with counterparts from around the world. Ninety percent of water worldwide is still delivered by the public sector, making it by far the largest pool of existing expertise.

By seeking to put this expertise at the service of people, TNI aims to help make the human right to water and sanitation a reality for all. TNI believes that the struggle for good public water services is essentially a struggle for democracy. The universal provision of water and sanitation to all is not just a 'technical' or charity issue – it is fundamentally political. The policy choice of privatisation is a demonstrable barrier to access to water for all, with the emphasis shifting from provision of an essential service to promotion of a water market accessible only to those who can afford to pay. This links with TNI's work on 'water grabs' (see page 23).

CONFRONTING PRIVATISATION

TNI plays an important role in supporting coalitions resisting water privatisation across the globe. For example, in Jakarta, TNI supports Amrta Institute, which is leading the campaign against one of the largest water privatisation projects in the world.

Privatisation has resulted in Jakarta's water being both unaffordable and unsafe to drink. A combination of public education, campaigning and legal action by Amrta has resulted in the establishment of KMMSA, a citizen coalition. They have accused the French company Suez of a breach of contract and called for the city to remunicipalise the public water utility. A major obstacle is the fear of the cost of arbitration lawyers should Suez declare an investment dispute (see TNI's work on



TNI aims to make the human right to water a reality for everyone – which means supporting resistance to water privatisation

investment arbitration on page 14). The Reclaiming Public Water network has been an important means of mobilising international solidarity for the struggle in Jakarta.

TNI monitors cases of remunicipalisation around the world, and in 2012 co-published a booklet, *Remunicipalisation: putting water back into public hands*, together with Corporate Europe Observatory and the Municipal Services Project (MSP, a South Africa–Canada co-ordinated university project also involving TNI and a number of its partners in the Reclaiming Public Water network). The booklet showcases five cities which have taken water back into public hands, demonstrating not only what is possible but what is actually being done.

TNI also translated into Spanish and co-published with MSP an edited volume, *Alternatives to Privatisation*, which focused on three sectors: water, electricity and health. Many of the water and electricity cases were contributed by TNI researchers, with TNI Fellow Dr Daniel Chavez playing a significant role as both researcher and coordinator in respect of the electricity sector.

SUPPORTING AND LEARNING FROM COALITIONS OF LABOUR AND CITIZENS

One key source of emerging alternatives to privatisation has been the global trade union movement. These have gone beyond simple defence of wages and conditions to construct coalitions with citizens and communities. TNI has conducted in-depth studies in Germany, South Africa, Spain and the UK on how this allows the latent capacities of public service workers – their extensive knowledge of the work they do – to be harnessed in developing and implementing alternatives to privatisation. See <http://bit.ly/tnilabour>.

The aim is to produce resources from which others facing the same struggles can learn. These publications have been accompanied by talks by TNI Fellow Dr Hilary Wainwright at the Globalisation School of the International Labour Research and Information Group in South Africa; the Global Labour Institute school at Northern College in the UK; and ‘Real Utopias’, the 2012 annual meeting of the American Sociological Association.



“As growing numbers of cities embark on the transition from private to public water management it is crucial to take stock of lessons learned and avoid pitfalls... Remunicipalisation struggles provide a real opportunity for citizens not only to end privatisation but to help shape public water companies that are democratic and responsive to their needs. Remunicipalisation is not merely about returning to the pre-privatisation situation, but should be about reinventing public water management altogether.”

Olivier Hoedeman, Satoko Kishimoto and
Martin Pigeon in *Remunicipalisation: putting water
back into public hands*, MSP/TNI 2012

PARTICIPATORY DEMOCRACY: E-LEARNING EXPERIMENT

In 2012, TNI ventured into long-distance e-learning aimed at bringing social science scholarship to civil society activists and local government participants. The pilot effort entailed a course on participatory democracy and urban management, and included modules prepared by TNI Fellows Dr Hilary Wainwright and Dr Daniel Chavez.

Conducted in English, Spanish and Portuguese, it was organised by TNI with Brazilian research centre CIDADE and the Latin American Programme for Distance Education in Social Sciences (PLED), and is an accredited undergraduate module at the University of Buenos Aires. To the astonishment of the organisers, 1,472 people from 122 countries signed up for the course – 43% coming from Africa. The course ran into 2013. After an evaluation, a further two courses are to be developed.

Together with public sector union confederation Public Services International, TNI also helped to produce an accessible booklet on the subject, including case studies from Brazil, Italy, Norway and Uruguay. Particularly important in this process was the South African Municipal Workers Union, which allowed extensive access to its members and officials as part of documenting the union's experiences of resistance to privatisation.

PUBLIC ENTERPRISES:

SHOWCASING BEST PRACTICE

Building on its long-standing work on public services, largely in the water, electricity and telecom sectors, this year saw TNI extend its focus to public enterprises more broadly. A major conference focused on Latin America was convened with Uruguay's National Directorate for Industrial Development (DNI-MIEM) and the National Telecom Company (ANTEL). The aim was to showcase 'best practices' in the governance of public enterprises, and to discuss the constraints and possibilities of state ownership. This included debates about the limitations of the state in constructing more inclusive, equitable and ecologically sound development.

Originally planned as a seminar, the clamour to participate resulted in a full-blown conference being held involving 442 people from 14 countries, with a further 90 people following the live-streamed event online. These were mainly civil servants, from public sector workers to government ministers. For the first time, the directors of Uruguay's five main public enterprises (ANTEL, telecoms; OSE, water; UTE, electricity; ANCAP, energy; and AFE, railways) shared a public panel. The conference was covered extensively in the national media. It concluded with multiple agreements for further research and exchange, as well as expressions of interest in collaboration from the Geneva-based inter-governmental bodies UNCTAD and the South Centre. See bit.ly/tnipeconf.

CORPORATE POWER

We are living in an era where the power of transnational corporations continues to increase and become ever more concentrated. A study of 43,000 transnational corporations found that just 737 corporations control 80% of them (*The Network of Global Corporate Control*, Vitali et al 2011). Furthermore, 50 companies are identified as being at the cusp of the extreme concentration of corporate power, half of which are the global financial, oil, gas and extractive corporations. As the global economic, social and ecological crises deepen, these corporations not only refuse to take responsibility for their own role in sparking it but also block possible routes to an exit. TNI seeks to expose the frameworks that buttress corporate power and provide a resource for civil society activists to develop alternatives.

EXPOSING THE 'ARCHITECTURE OF IMPUNITY'

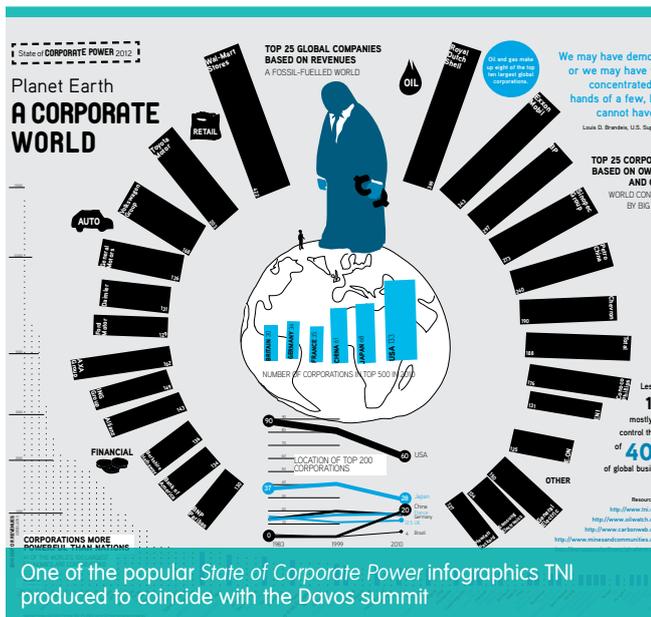
Transnational corporations have violated human rights and damage the environment the world over – yet most of these economic and environmental crimes are not illegal. International trade and investment treaties and years of 'structural adjustment' programmes have created an 'architecture of impunity' at the national and international level, and severely restricted the sovereignty of nations to hold them accountable or restrict their power.

TNI seeks to expose such corporate abuses, while pointing out the structural reasons why they remain able to operate with impunity. Corporations have captured our legal systems and moulded them in their own interests, with the complicity of governments and international institutions. Governments that have been subsequently elected to challenge transnational corporate power have found themselves in a legal straitjacket. Where they have dared to act in the public interest, they have been closely monitored by arbitration lawyers keen to earn big fees from transnational corporations by bringing investment disputes to arbitration (see below).



To coincide with the Davos summit in January 2012, TNI produced a series of infographics, *State of Corporate Power*, which revealed the extent of the global dominance of corporations. These went viral on Facebook and were viewed over 22,000 times, becoming our most popular report in 2012.

TNI followed up in June during the Rio+20 UN Conference on Sustainable Development by publishing a special bi-lingual (Spanish/English) edition of ALAI's magazine *Latin America in Movement* on 'Transnational Capital vs People's Resistance' that explored the architecture of impunity in more depth. As lawyer Juan Hernández Zubizarreta put it, "The political, economic and legal power at transnational corporations' disposal allows them to act with a high degree of impunity... Legislation is built ad hoc to defend transnationals' interests."



A PEOPLE'S TREATY TO CHALLENGE CORPORATE POWER

At the counter-summit in Rio, TNI helped launch a call for a global campaign to dismantle corporate power. This was the outcome of an intense, seven-month consultation process in Africa, Asia and Latin America. The call emerged from years of work by Permanent People's Tribunals on transnational corporations held in Europe and Latin America. The tribunals concluded that voluntary corporate social responsibility had failed, and that abuses were not a matter of a few 'bad apples', but due to a consolidation of structural impunity for transnational corporations.

The Stop Corporate Power campaign was launched by 130 civil society organisations (CSOs) from across the world representing farmers, workers, environmentalists, women, indigenous people and migrant networks as well as drawing in existing networks campaigning on mining, oil, genetically modified organisms and water. The campaign argues that people should take back their democratic right to make law, and should do this through a People's International Treaty. The aim would be to dismantle transnational

corporations' power, establish binding obligations on corporations and to enforce these through an international institution mandated to defend the public interest. The campaign asserts people's democratic right to control their territories, resources, food supplies, national economy and public goods and services.

At the same time, the global campaign aims to strengthen existing resistance to transnational corporations worldwide, by creating links between existing campaigns, sharing learning and building solidarity.

Following two important regional meetings on transnational corporations in Johannesburg and Manila, an international strategy meeting was convened at TNI in Amsterdam in December 2012 with representatives from each region, supported by experts on human rights and international law. The seminar planned the work of the campaign over the next two years. A collective, participatory, consensus-building exercise is envisaged to consolidate the movement and produce a People's Treaty. It will be supported by research, including international legal expertise, which will focus on the extractive industries and agro-industry, and have a strong outreach dimension to raise public awareness of the issues. See www.stopcorporateimpunity.org



Part of the Stop Corporate Power campaign's mobilisation outside the Rio summit

PROFITING FROM INJUSTICE:

THE BOOM IN INVESTMENT ARBITRATION

For several years TNI has focused on 'investment protection' regimes that give corporations the right to sue states for actions that hit their profits, even where the measures are taken to defend public interests in poor countries. In 2012, TNI and the Corporate Europe Observatory co-published *Profiting from Injustice*, a landmark report exposing the small clique of international law firms, arbitrators and financial speculators fuelling a boom in the investment arbitration industry. *Profiting from Injustice* broke new ground in challenging the idea that arbitrators and law firms are simply neutral functionaries of the regimes, showing that they are, in fact, highly active players. Law firms seek every opportunity to bring cases against governments and the whole industry has a vested interest in defending the status quo. The report accuses law firms of 'ambulance chasing' by actively soliciting lawsuits against governments in crisis, such as that of Greece.

The report has been successful in putting the issue of investment arbitration on the agenda of civil society and social movements, especially in challenging the notion of

its 'neutrality'. Significantly, it has had a much wider impact, attracting the attention of the media and policymakers (particularly in Latin America) as well as investors and law firms themselves. A leading arbitration industry journal *Kluwer Arbitration*, for example, ran a guest blog post by TNI. Some 15,900 people accessed the publications and videos in 2012, and an estimated further 114,000 were reached through Twitter.

The report also profiled prominent cases such as the cigarette company Philip Morris suing the governments of Australia and Uruguay under bilateral investment treaties over laws requiring large health warning labels on cigarette packets. TNI has been involved in supporting campaigns to challenge Philip Morris in Uruguay together with REDES, the local Friends of the Earth chapter. These cases and more were reproduced in the more popular educational pamphlet *Dangerous Weapons*, co-published by TNI, and in a short animated video, 'The dark side of investment agreements', which you can watch at bit.ly/tnidarkside.

The longer-term campaign goal is for governments to begin to remove arbitration clauses from their trade treaties. Some governments, such as those of Australia, Bolivia, Ecuador and South Africa have started to move in this

EU CRISIS – A CRISIS OF DEMOCRACY

As Europe's financial crisis continues, the European Commission, the European Central Bank and the International Monetary Fund (IMF) have responded by promoting an undemocratic politics of austerity, which has led to rocketing unemployment and undermined social welfare. TNI is supporting pan-European networks opposing austerity by facilitating seminars and conferences to understand what is happening, mobilising concerned economists to serve as a resource, and publishing accessible materials for activists.

TNI published the first comprehensive critique of the newly-implemented 'six-pack' of rules on economic governance put out by the European Commission (see bit.ly/tnieugov), *Governing the EU: Critical Perspectives and Alternative Solutions to the Eurozone Crisis*. It has been downloaded 900 times and been widely used by activists as a reference. TNI also updated its *EU Crisis Pocket Guide*, downloaded 4,000 times and now available in English, Spanish, Dutch and Italian. A series of video interviews with progressive experts on the EU crisis was also produced.

Early in the year, TNI, Corporate Europe Observatory and ATTAC Europe co-organised a seminar involving activists and progressive economists from 13 European countries. In May, with the support of the European Public Services Union, TNI and Corporate Europe Observatory followed up by organising a major conference in Brussels. The conference was attended by 300 people from across Europe, who went on to form a new network. The network, including TNI, was active in the Firenze 10+10 event, convened in Florence to mark the 10th anniversary of the European Social Forum.

TNI President Dr Susan George and TNI Fellow Dr Hilary Wainwright played an important role in building bridges between the labour movement and other social movements active on the EU crisis, as well as articulating in the media the critiques and propositions being put forward by these movements.

direction. South Africa, for example, gave advance notice it would not be renewing its bilateral investment treaties. Many governments, however, are locked into treaties for many more years. Others face threats from more powerful governments if they seek to end their treaties.

TNI's work on corporate impunity and the role played by the current international investment regime provides an important framework for related work to reverse privatisations (see public services, page 8) and land concessions (see agrarian justice, page 20). It is also an important contribution to our research and advocacy on challenges related to opening up Burma, including land concessions to Chinese rubber investors for opium-substitution projects there (see peace and conflict, page 30).

OPPOSING THE EU-COLOMBIA FREE TRADE AGREEMENT

TNI is a key member of a coalition opposing the EU-Colombia Free Trade Agreement (FTA), supporting Colombian trade unionists, international union federations and civil society groups that have come out against it

on human rights grounds. In 2012, TNI drew up a report 'Dossier Colombia' (bit.ly/tnicolombia) mapping the possible impacts of the FTA on Colombia's mining, dairy and palm oil sectors in particular. It focused on labour conditions, environmental impacts and the risks that indigenous people could be driven off their land to make way for extraction. TNI also participated in a lobby tour with Colombian trade union representatives, organising some media activities and public debates in Brussels and Amsterdam to expose the current situation in Colombia and the potential negative impacts of ratification of the proposed Free Trade Agreement.

An important achievement by the coalition in 2011 was getting the FTA declared 'mixed' – a technical recognition that it was not a purely trade agreement as it included human rights implications. Under the Lisbon Treaty, all EU member states' parliaments as well as the European Parliament have to ratify the FTA, and by implication it be vetoed by any national parliament. TNI was involved in supporting efforts to lobby the European Parliament to vote against the FTA. Although the effort failed, a substantial minority voted against. The coalition continues to work with national parliamentarians who have still to vote on the Free Trade Agreement.

AGRARIAN JUSTICE

The concept of 'land grabs' – acquisitions of vast areas of land in poorer nations and regions – came to prominence during the global food price spike of 2007/8. TNI has critically analysed mainstream formulations of the problem, from the angle of who controls the land itself and who has the power to decide how it is used and for what purposes – issues that tie into a broader and deeper questioning of the underlying development model. Our research and analysis show that the phenomenon is not just about land as such, but who is on the land and what they do with it, what is produced on or extracted from the land, and the speculative value of land and the natural resources it contains.

SUPPORTING AN END TO LAND GRABS

TNI produced a raft of publications on land grabs over the year. These have strengthened TNI's goal to be a bridge between scholars and movement activists and strengthen a 'radical pole' within the debate on land grabs. Central to the work was *The Global Land Grab: A Primer*. This popular primer is the culmination of two years' work, building in particular on the research of TNI Fellow Dr Saturnino 'Jun' Borrás Jr and research associate Dr Jenny Franco. The primer stands in contrast to narratives that tend to focus on the grabbers, legal procedures, and scale of grabs rather than how they have dispossessed communities of control over their own resources and development pathways.

The main policy response to land grabbing has been to accept large-scale land deals as a necessary component of attracting foreign investment into agriculture, and to suggest regulation and guidelines to address its negative impacts. TNI instead supports social movements in their calls for regulation to stop new grabs and roll back existing ones, and to ensure and promote local farmers' own

Biofuels extract 7,000 litres
of water to produce just
one litre of ethanol.



FRACKING AND THE CORPORATE TAKEOVER OF NATURAL RESOURCES

It is through its work on land and water grabbing that TNI turned its attention to the issue of 'fracking'. Fracking, or hydraulic fracturing, is a relatively new method of gas extraction that involves a huge amount of water being used to bring underground shale gas to the surface.

TNI's report *Old Story, New Threat* shows how fracking is a concrete example of the problems caused by water grabs. The use of water for fracking not only diverts it from local communities, but can contaminate it with the chemicals used in the process.

The report shows how fracking is an expression of the global agenda of land and water grabbing, charts its spread across the globe and the corporations that are behind it, and explains in more scientific detail how the process works and why it is hazardous. It also includes a section pointing to the success of a citizens' campaign against fracking in France. The report has been widely picked up by environmental networks, as well as existing anti-fracking campaign groups.



ASIA-EUROPE PEOPLE'S FORUM

In October 2012, TNI played a key role, working with Laotian and other Asian partners, in organising the first-ever independent civil society meeting in Laos prior to the official Asia-Europe Summit (ASEM). Over 1,000 participants took part from Europe and Asia. TNI's work on land grabbing and investment featured highly on the Forum's agenda.

Sadly the otherwise successful event was badly marred by the 'disappearance' of Sombath Somphone, chair of the National Organising Committee and a well-loved community development worker. CCTV images showed him taken away in a car after being stopped at a police station. TNI has worked with its partners to put pressure on the Lao government to investigate his disappearance, helping to organise two parliamentary delegations and a EU parliamentary resolution. The campaign to find Sombath continues. (See sombath.org and www.aepf.info.)



investments, agroecological farming systems, and human rights. In this, TNI works with movements of peasant farmers, including organisations such as La Via Campesina, and the International Planning Committee for Food Sovereignty. TNI supports their campaigns by providing information and analysis. This also includes proposing alternatives, as TNI outlined in a well-received briefing on positive investment options.

The land grab primer and eight other briefings have filled an important knowledge gap. For example, Burmese social activists now facing the challenges of an economy opening up to international capital (see page 30) translated the primer and several other related TNI publications into Burmese, in support of evolving civil society efforts to challenge new land and investment policies there.

TNI also co-ordinates the Hands off the Land network, which seeks to raise public awareness in Europe of the land grabbing phenomenon and the role of European investors and European Commission policy (see bit.ly/.tnilandeu). Together this brought Mozambican farmers to Europe to expose the impact of European pension funds' investments on their food security, generating media coverage in the Netherlands.

TNI has also provided ongoing technical support to organisations in their engagement with international institutions, such as during the negotiations on the Tenure Guidelines within the Committee on Food Security at the Food and Agriculture Organization of the United Nations (FAO). Partly because of the efforts of civil society organisations in these negotiations, the Guidelines contain many concepts and elements that social movement groups consider useful for their struggles. TNI is working with the International Planning Committee for Food Sovereignty as its focus shifts to how the Guidelines can be implemented on the ground.

BEYOND LAND: PUTTING ALL THE 'GRABBING' ON THE AGENDA

A key part of extending the critique of land grabs is to look at the overall impact on control over natural resources. This was the reasoning behind the primer *The Global Water Grab*. It exposes how powerful actors have been able to wrest control of water from local populations, whether it is for use in large-scale industrial agriculture (particularly to grow biofuels), hydroelectricity or simply to sell the water back to the public.

"The irony is that focusing too much on the land itself risks overlooking the key driver of the global land grab, which is the underlying logic and operation of capital."

The Global Land Grab: A Primer

The report notes that there is already a 'global water crisis', with 700 million people in 43 countries having insufficient access to water, and the global water grab will only exacerbate this problem.

The water grab primer gained the attention of activist networks, including some TNI had not worked with before, as well as in policy and academic fields. This led to TNI being invited to be one of the guest editors of a special issue on the subject of the journal *Water Alternatives*. This, in turn, has opened more avenues for collaboration and debate.

There is also cross-over with TNI's work on water as a public service (see page 8), particularly in relation to the ideas of water justice and remunicipalisation, and this has contributed to the building of links between the networks TNI has in these different areas.

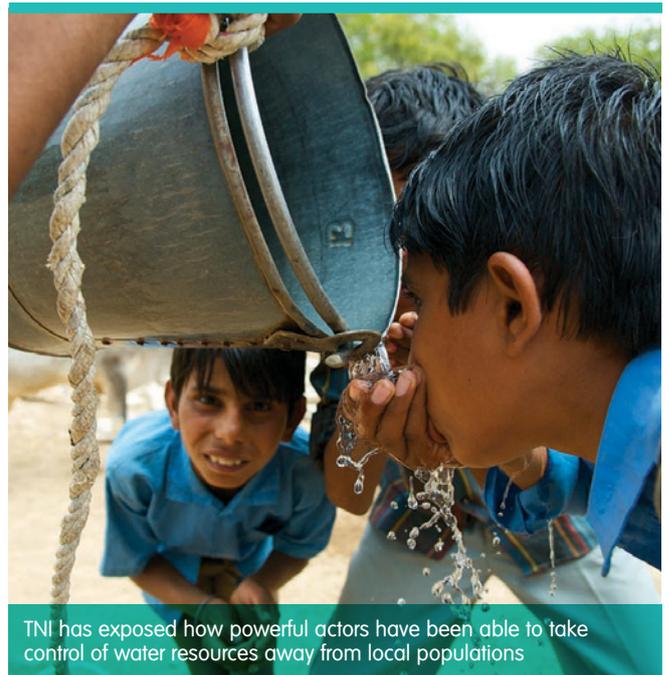


photo credit: Daniel Bachhuber



“One of the most striking developments in recent years has been the creation of private investment funds in which water features as a significant component of the portfolio.”

The Global Water Grab: A Primer

DRUGS + DEMOCRACY

TNI's Drugs and Democracy programme has been working since 1995 to push for evidence-based reform of drug policy. Working simultaneously at national levels and in relation to the global legal framework, TNI starts by looking at the human rights of all actors in the illegal drugs market, and advocates an approach based on harm reduction. In 2012, years of painstaking work saw real breakthroughs in the Americas, which may herald a wider shift in policy. The government of Uruguay sought to regulate the cannabis market, two US states voted to legalise cannabis, and the inter-governmental Summit of the Americas called for alternatives to current drugs policy.

A BREAKTHROUGH IN THE MAKING IN LATIN AMERICA

This year saw remarkable developments in drug policy in Latin America, decisively breaking open the debate. This was expressed at the Organization of American States (OAS) Summit of the Americas in Colombia, where recognition of the failure of the global 'war on drugs' reached critical mass, resulting in a call for alternatives to current models of drug control. This was the first time this has been recognised at such a high political level. It forms part of an overall more assertive and independent attitude from Latin American states towards the US.

TNI produced a briefing, *A Breakthrough in the Making?*, exploring the regional trend of moving away from the US-led 'war on drugs' strategy and making a set of proposals for the further widening of the discussion. The briefing recognised the importance of the developments while cautioning that there are still many barriers ahead. Although the situation is not simple, it is clear that Latin America is taking a global lead on reforming drug policy, and TNI has committed more resources to the region accordingly.



While this dramatic policy shift cannot be attributed to any one factor, TNI has been one of the leading international institutions in challenging the war on drugs and proposing a nuanced set of viable options for policy reform. The Summit of the Americas mandated the OAS to commission an analysis of the current situation, drug policies and a study into alternative scenarios. The results are to be discussed at the highest political levels across the hemisphere. TNI's Martin Jelsma is participating as an expert within this process. For more see the TNI-run website www.druglawreform.info.

HELPING URUGUAY PIONEER

CANNABIS REGULATION

One of the most encouraging developments in Latin America in 2012 was the government of Uruguay announcing plans to regulate the cannabis market. This is the first time a government has attempted to take control of the whole national cannabis market, although the proposal still awaits parliamentary approval. Consumption has long been decriminalised, but cultivation – even for personal use – has remained a crime. The proposal would extend across the whole chain of production and

distribution, most likely in the form of a state-licensed production and distribution system, for both medicinal and recreational use.

The move would be a real leap forward in terms of existing models of drugs regulation, and success in Uruguay – a relatively small country – could spread further. As Uruguay's president José Mujica has said, "Someone has to be first." The government argues that regulation is the best option for the health and welfare of the population, yet is fully aware that cannabis is not harmless and that a regulated market will not solve all the problems.

TNI has been closely involved in assisting the government. Our experts have commented on drafts of the legislative proposal, in particular in advising Uruguay on how to deal with its existing obligations under international treaties (see below). TNI facilitated contacts with people who had been involved in implementing alternative models elsewhere, such as cannabis social clubs (non-commercial cultivation) in Spain. The annual international informal drug policy dialogue meeting of government officials, parliamentarians and experts also provided the Uruguayan government with an important sounding board for its proposals.

"For the first time, the US was unable to prevent an overt display of dispute over US drug policies within the OAS and was forced to accept opening up the debate to look at potential alternative policy options."

A Breakthrough in the Making?

TNI also worked with policymakers on drug legislation, law enforcement and the criminal justice system in several other countries during 2012 – both in Latin America and in Southeast Asia. The latter included a unique meeting with 25 top Burmese government officials, which marked the beginning of a process of more intense dialogue there. (For more on Burma see page 30.)

EXPLORING TENSIONS IN THE TREATIES AND PROPOSING REFORM

A major obstacle to reform is the existing system of treaties that make up international drugs law. TNI has taken a twin-track approach to the problem: first, studying what reforms may and may not be allowed under the existing treaties and where the possible tensions lie, and second, identifying where the tensions become breaches, and what concrete reforms therefore need to be proposed.

This was the approach taken in drug policy briefings co-published with the International Drug Policy

Consortium, *The Limits of Latitude* and *Towards revision of the UN drug control conventions*. These were presented at a side-event during the UN Commission on Narcotic Drugs session in Vienna in March 2012 in the presence of around 50 government delegates.

The Limits of Latitude analyses the room for manoeuvre within the three existing UN drug control treaties – the 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances and the 1988 Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. It attempts to offer a new standard for their legal interpretation.

The report includes a ‘traffic light’ system for policy proposals, with red for ‘stop or challenge the conventions’, orange for ‘proceed with caution’ and green for ‘proceed’. In doing so, it exposes the existing contradictions of the system and makes an argument for reform.

Towards revision of the UN drug control conventions takes this work further by looking at the possibilities for treaty reform. It proposes that a promising way forward could be for like-minded nations to form a group or groups to advance treaty revision.



BOLIVIA WINS COCA LEAF RECOGNITION

For centuries, Bolivia's indigenous peoples have chewed coca leaf, but the country has long faced threats that it is breaking international drugs laws by allowing the practice. Bolivia recently became the first country to gain an exemption to the 1961 Single Convention on Narcotic Drugs on traditional coca use in its territory. In 2011, Bolivia took the unprecedented step of pulling out of the Convention and then re-adhering with a reservation allowing the use of coca leaf. US-led efforts effectively blocked a previous Bolivian proposal to amend the Convention, but this time were unable to block the reservation, which requires a higher threshold of objections.

TNI frequently advised the Bolivian government on these UN procedures, building on 10 years' work on the coca-leaf issue. Bolivia took an important step towards global recognition of traditional consumption of coca leaf as well as potentially opening the door for other countries to push for exemptions to international treaties. Its actions have also exposed the overall system as being in desperate need of reform.

PEACE + CONFLICT

TNI has for decades challenged military conflicts and dedicated itself to peace-building. Currently the chief focus of this work is Burma/Myanmar*. Burma has been divided by civil war since 1948 and under military rule since 1962. Since the advent of a new quasi-civilian government in 2011, however, there has been a shift in policy towards holding peace talks with the ethnic armed opposition groups, as well as some moves towards more political openness, including the election of Aung San Suu Kyi's National League for Democracy to parliament. Much work remains, however, to build a lasting peace. This opening also brings new dangers, including 'resource grabs' by transnational corporations. TNI has been working to support the peace process by advocating political dialogues to solve the country's ethnic crises, and monitoring the development implications of the rush to invest.

WORKING FOR PEACE IN BURMA

The government reached initial ceasefires with most ethnic armed opposition groups by early 2012. Decades of war created deep mistrust among different ethnic communities, however, and this will not end overnight. TNI sees its role as gaining greater recognition, both nationally and internationally, for the fact that ethnic conflict remains a central challenge in Burma and that peace and democracy cannot be achieved until solutions to it are found.

TNI's work on ethnic conflict – in collaboration with the Burma Centre Netherlands – includes a regular programme of strategic seminars, a publication series and follow-up advocacy activities. Five in-depth publications in 2012 have been highly valued by a wide range of local and international actors, and have helped to promote a common understanding of the conflict. The strategy meetings have brought together representatives of civil society groups, parliamentarians and armed opposition groups from a diversity of ethnic groups - many of whom previously had previously been unable to meet. These closed strategy seminars are held under 'Chatham House rules' (whereby speakers' identities are not publicly

* In 1989 the then military government changed the official name from Burma to Myanmar. They are alternative forms in the Burmese language, but their use has become a politicised issue. Although this is changing, Myanmar is not yet commonly used in the English language. For consistency, Burma will be used in this report. This is not intended as a political statement.



revealed) to allow issues to be discussed frankly, openly and on an equal footing. They were held in Thailand to ensure the armed group representatives could participate.

Participants have valued the seminars as there is currently no similar forum. They expressed concerns about issues ranging from the inclusiveness of the peace process itself to the continued fighting in Shan and Kachin states, the problems of economic development in the ethnic borderlands (see below) and the potential impacts of the new land and investment laws. (A report of the conference is available at bit.ly/tniepeace.)

The opening up of Burma brought many new aid and peace-related agencies into the country in 2012. Using the reputation and knowledge gained through its decades-long work in Burma, TNI was able to play a role in helping to coordinate them as well as promoting a better understanding of ethnic conflicts among the agencies. As part of this work, TNI is a member of the International Peace Support Group, an informal network of 20 NGOs supporting the peace process in Burma.

There are now over 4,500 people on TNI's specialised Burma email list, including representatives of civil society,

political parties, armed groups, media and the government, as well as international academics, NGOs and politicians. All reports and briefings are distributed through this list, and TNI is also increasingly making print copies available inside the country. It is now also providing Burmese translations of its publications.

HOW BURMA BRINGS TNI THREADS TOGETHER

Burma's process of political opening and the dropping of Western sanctions is very welcome, but has also had an unfortunate consequence: it has opened up opportunities for transnational capital to launch 'resource grabs', and other worrying forms of economic development in the conflict zones and ethnic borderlands as the peace agreements take effect. In past ceasefires such developments have put peace at risk, by damaging local livelihoods and causing further grievances.

This has quickly made the TNI's other work on agrarian justice and trade and investment very relevant in Burma, since it is well placed to offer its expertise because of its decades of involvement in the country.

"In order to end the civil war and achieve true ethnic peace... it is vital that the process is followed by an inclusive political dialogue at the national level, and that key ethnic grievances and aspirations are addressed."

Ending Burma's Conflict Cycle, TNI, February 2012

Financing Dispossession, a report published by TNI in 2012, charts how the issues of ethnic conflict, drugs, land grabs and investment are intimately connected in Burma, and how these affect local communities in Kachin and Shan states. It focuses in particular on the impact of Chinese opium-substitution policies. These are efforts to reduce heroin consumption in China by reducing opium production in Burma by encouraging Chinese firms to acquire land and use it for non-drug agriculture. The main crop cultivated through the programme is rubber, which the report argues has produced short-term profits for Chinese firms but impoverished local farming communities and damaged the environment. The report calls for community-based 'alternative development', as well as harm-reduction drug policies in China. Following the publication of *Financing Dispossession*, TNI has met with representatives from the Chinese embassy several times, and there are signs that China is starting to consider policy changes in relation to rubber investments in Burma. TNI also facilitated a visit to Burma by Chinese academics, who function as policy advisers. They discussed with local communities the impact of Chinese investments and gave a public presentation at the Cultural Centre of the Chinese Embassy in Yangon. This was the first time that the embassy permitted a foreign organisation to organise such an event.

Since the advent of a new quasi-civilian government, land rights have become a pressing topic in Burma. TNI has joined the Land Core Group, a working group of NGOs on land rights, with whom it co-organised with the Myanmar Development and Research Institute (MDRI) a 'Symposium on National Agricultural Development and Pro-Poor Policies' in May 2012. TNI Fellow Dr Jun Borrás was the keynote speaker and also briefed MPs on land rights, and met with farmers' groups. In November 2012 Borrás visited Burma again to speak at the 'National Dialogue on Land Tenure and Land Use Rights' – a meeting attended by officials from all relevant government ministries, as well as representatives from civil society groups, farmers' groups and lawyers. Such meetings were unthinkable in the past.

In addition, local organisations in Burma decided to translate a number of TNI publications on land grabbing (see page 20). A new project is now planned on land and climate mitigation strategies, particularly REDD+ (concerning forests), with Burma and Cambodia as case studies.



COUNTER-TERROR LAWS VERSUS CIVIL SOCIETY

The Financial Action Task Force (FATF) is a global standard-setting body dealing with money laundering, financial crime and terrorist financing. Civil society organisations have been warned that its 'Special Recommendation VIII', on countering the threat of terrorist financing said to be posed by non-profit organisations, has encouraged states to bear down on NGOs' freedom of expression.

In 2012 TNI and civil liberties group Statewatch co-published research by TNI Fellow Dr Ben Hayes. 'Legalising surveillance, regulating civil society' provided compelling evidence from India, Paraguay, Russia, Sierra Leone and Uzbekistan that the recommendations were encouraging excessive regulation of civil society. It also detailed the broader shortcomings of the FATF with regard to legitimacy, accountability and democratic control. The report was welcomed by researchers and civil society organisations, with the International Centre for Non-Profit Law, for example, describing it as one of the most important contributions to the field in recent years.

Over the next six months more than 70 concerned groups and individuals formed a Transatlantic Working Group on the FATF and civil society. A series of meetings was held with key national governments. Following this, in October 2012, the Canada, France, Italy, Japan, the UK, the USA and also the UN expressed concern that Recommendation VIII was being used to restrict the legitimate activities of civil society organisations and clarified that this was never the purpose.

Meanwhile, TNI began new work on the criminalisation of conflict transformation. It is concerned with 'blacklists' and the limitations these pose for transforming conflicts. The research project, involving TNI Fellow Dr Ben Hayes, is looking at the cases of Palestine, Somalia and Turkey.



In 1973, TNI's first director, Eqbal Ahmad, a Pakistani journalist and professor, set out on a whirlwind five-week trip to recruit promising scholars committed to social change. His charisma brought on board critical thinkers such as Booker prize-winning novelist John Berger and specialists like John Gittings, Richard Gott and A. Sivanandan. This fellowship laid the groundwork for an international network of scholar-activists committed to social change, which typifies TNI to this day.

In 2012, TNI had nine Fellows, five Associate Fellows and a large network of Associates (many former Fellows who wish to remain active within the TNI network). They all combine the rare qualities of being experts in their field as well as being deeply engaged in movements committed to justice. Their work provides a 'thinkspring' of ideas and analysis that helps frame all of TNI's work. It has also enabled TNI to consistently anticipate and develop forward-thinking analysis of the international policies that deepen poverty, inequality and environmental degradation.

In June, the annual Fellows' seminar examined the factors driving resource grabbing – from land to energy – that has accelerated in recent years. A key topic was the commodification of nature that emerged as another market-based construction ostensibly intended to address climate change. Another issue was the deepening crisis in Europe, with special attention paid to Greece. Guests included the editors of *Nature Inc.* and a special issue of the journal *Development and Change*; the newly appointed executive director of Focus on the Global South; a representative of the Greek political party Syriza; a key intellectual adviser to the small farmers' confederation La Via Campesina; and the former minister for economic policy for Ecuador and coordinator of the Southern Bank.

In December, an internal workshop was convened to develop plans for publications and strategic thinking for 2013–2014 that will focus on the broad themes of energy, land, alternative development, climate and militarism.

FELLOWS

Phyllis Bennis



Fellow of the Institute for Policy Studies, where she directs the New

Internationalism Project. Focusing on Middle East and UN issues, Bennis works closely with US and global peace and Palestinian rights movements, as well as with key UN agencies and officials. A prolific writer and a savvy communicator, Bennis made frequent appearances in the international media in 2012 with her cogent analyses on Afghanistan, Gaza, Iran, Syria and US foreign policy. Her books included the new 2012 edition of *Understanding the Palestinian-Israeli Conflict* and a Spanish translation of *Challenging Empire: How People, Governments & the UN Defy US Power*.

Prof Praful Bidwai



One of South Asia's most widely published columnists, Bidwai provides

perceptive analysis to hundreds of thousands of readers on neoliberal economic policies, their effects on society and the state, the BRICS economies, energy, the environment, nuclear power, and international relations and peace and security. His latest book, *The Politics of Climate Change and the Global Crisis: Mortgaging Our Future*, co-published by TNI, analyses the politics of climate change from the perspective of nations like India, with an emphasis on equity and effectiveness. Bidwai currently holds the Durgabai Deshmukh Chair in Social Development, Equity and Human Security at the Council for Social Development in Delhi, and is working on a book on the crisis of the Indian left.

Dr Saturnino 'Jun' Borras Jr.



Associate Professor and Convenor of Agrarian, Food & Environmental

Studies at the International Institute of Social Studies (ISS) of Erasmus University Rotterdam in The Hague. Borras is also Adjunct Professor, COHD at China Agricultural University, Beijing and Editor-in-Chief of *The Journal of Peasant Studies (JPS)*. With his irrepressible energy and prolific research, his voice is widely respected in academic and policymaking circles and peasant movements alike for his analysis on large-scale land investment deals.

"A solidly founded organisation that plays a cornerstone role in the social movement. In existence with an unbroken record since the first years of the 1970s."

Recommendation on Facebook

Dr Daniel Chavez



Independent researcher and lecturer on Latin America's Political Economy at the

International Business School (IBS) in Amsterdam. In 2012, Chavez co-organised with the Uruguayan government a ground-breaking conference on the role of state enterprises in development and contributed research on progressive electricity reforms for a book on alternatives to privatisation edited by the Municipal Services Project (MSP), and co-published in Spanish by TNI. The EU recently described his previous advisory work for the Parlocal project on information technologies and participatory governance an example of 'best practice'.

Dr David Fig



South African environmental sociologist, political economist, and

activist, Fig specialises in questions of energy, the extractive industries, and corporate accountability. Fig is TNI's newest Fellow, appointed unanimously by the Board in 2012. He chairs the board of Biowatch South Africa, which is concerned with food sovereignty and sustainable agriculture, and works closely with various environmental justice NGOs. Recent publications include work on the nuclear and shale gas industries, and the Biowatch legal battle with Monsanto. Fig was made an Honorary Research Associate of the Environmental Evaluation Unit at the University of Cape Town in 2010.

Dr Ben Hayes



Independent researcher, security policy expert at the civil liberties

organisation Statewatch, Hayes specialises in EU Justice and Home Affairs law, police cooperation, border controls, surveillance technologies and counter-terrorism policies. His in-depth research on the impact of regulations concerning financing of terrorism on civil society (see page 33) has made him a respected commentator and adviser for civil society organisations worldwide. He also initiated work with TNI on a new book on the securitisation of climate policy.

"TNI allows me to expand on my knowledge of events which are generally not covered in depth by others. Thanks for being there."

Response to email survey

Dr Edgardo Lander



Professor of Social Sciences at Universidad Central de Venezuela

and an Associate of the Miranda Centre in Caracas. Lander's critique of commodification of nature under the guise of UNEP's 'Green Economy' published by TNI was essential reading for movements engaging with the process leading up to Rio+20 summit in 2012 and one of TNI's most popular publications in 2012.

Prof Achin Vanaik



Recently retired as Professor of International Relations and Global Politics at

the University of Delhi, Vanaik is an active member of the Coalition for Nuclear Disarmament and Peace (India). His books and writings range from studies of India's political economy, issues concerning religion, communalism and secularism as well as international contemporary politics and nuclear disarmament. In 2009, the Indian Council for Social Science Research (ICSSR) appointed Achin Vanaik as the General Series Editor preparing 'ICSSR Research Surveys and Explorations' in the discipline of Political Science. Four major volumes were completed and recently published by Oxford University Press.

Dr Hilary Wainwright



Senior Research Associate at the University of Bradford in the UK, editor of *Red*

Pepper magazine and regular contributor to the *Guardian* newspaper. Wainwright contributed a chapter on the role of labour in public sector transformation for the MSP book on *Alternatives to Privatisation* (co-published by TNI in Spanish), which was reworked by Public Services International as an educational pamphlet. As an activist-researcher, Wainwright is committed to socialising the radical practice and alternatives embedded in social movements. She spent 2012 sharing learning on public sector reform, solidarity economies and participatory democracy with activists from Greece, South Africa and the UK.



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“TNI is one of the places I go to find more in-depth research on important issues, eg. land grabs, in a still accessible style.”

Response to email survey

THANKS



THANKS TO ALL THE ORGANISATIONS THAT COLLABORATED WITH TNI IN 2012 | **INTERNATIONAL** Foodfirst Information and Action Network | Friends of the Earth International | International Drug Policy Consortium | International Planning Committee for Food | Sovereignty | International Trade Union | Confederation (ITUC) | Municipal Services Project | Public Services International (PSI) | Reclaiming Public Water Network | La Via Campesina

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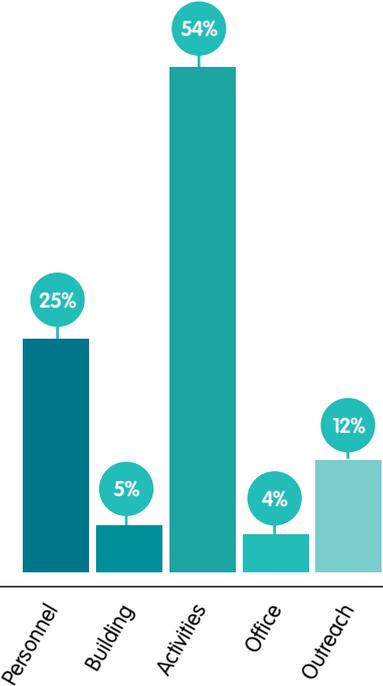


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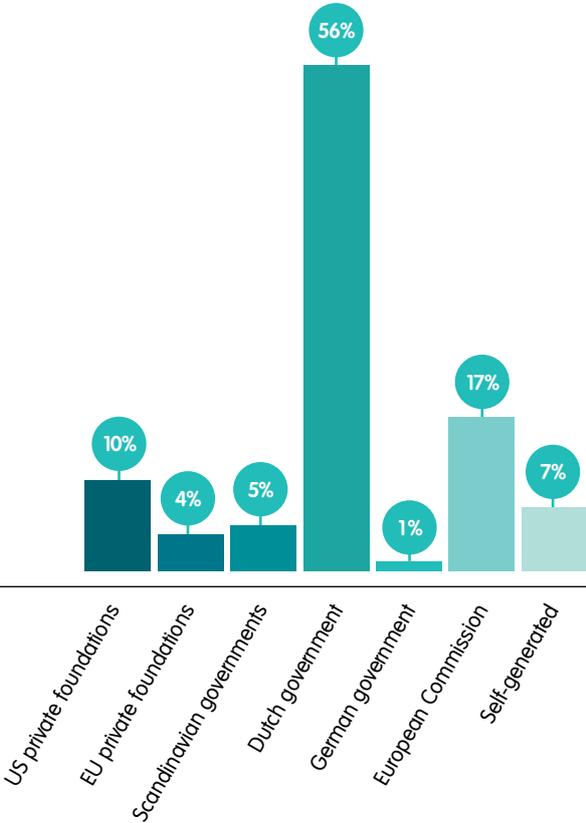
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WE SPEND OUR MONEY



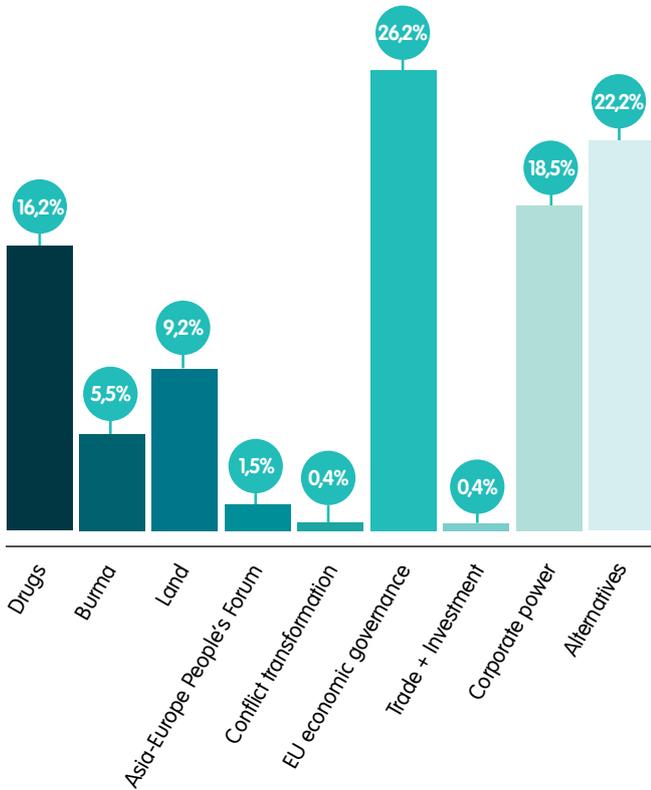
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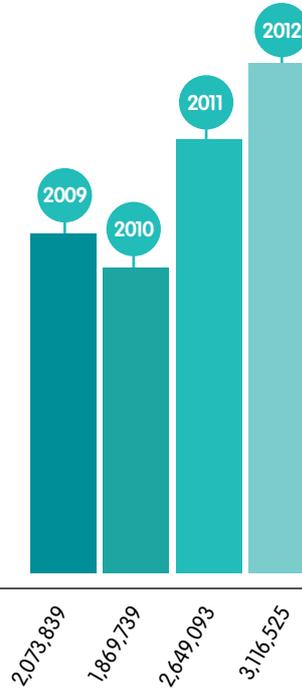
WHAT

PROJECTS OUR MONEY IS SPENT ON



INCOME

INCREASE IN INCOME OVER THE PAST FOUR YEARS



FINANCE

BALANCE SHEET, 31 DECEMBER 2012

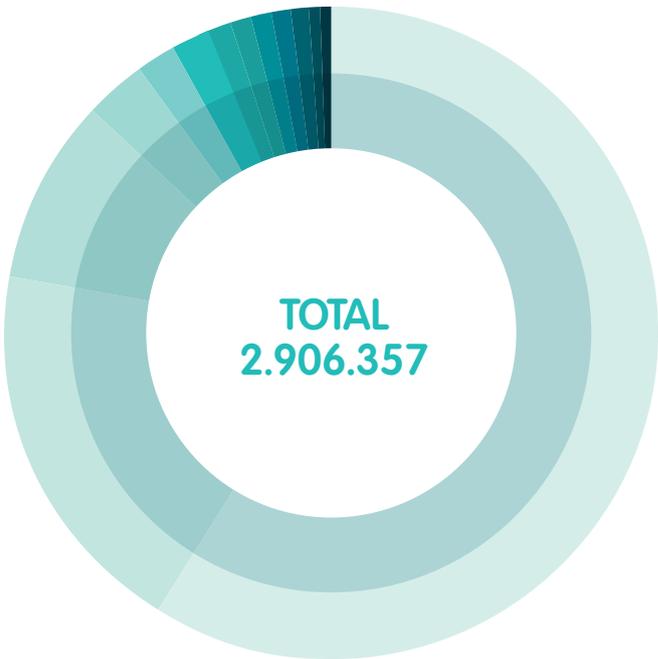
	dec 31 '12	dec 31 '11		dec 31 '12	dec 31 '11
ASSETS			State of Income and Expenditure		
Fixed assets	2.012.748	2.074.842	Income		2.396.471
Current assets:			Grants	2.906.357	
Outstanding receivables	696.090	472.284	Rent	130.869	131.149
Cash	418.604	868.593	Interest/currency gains and losses	33.190	18.939
Total assets	3.127.442	3.415.718	Salary subsidies		6.057
LIABILITIES			Miscellaneous income	46.109	96.477
Equity:			Total income	3.116.525	2.649.093
Balance previous year	860.328	923.302	Expenditure		858.504
Result current year	12.040	-62.975	Personnel costs	769.018	
	872.368	860.327	Building expenses	171.015	165.624
Provisions	6.238	21.750	Activity costs	1.682.419	1.217.716
Long term liabilities (loan)	1.523.695	1.611.420	Office & Communication costs	136.170	136.701
Current liabilities			Publication & Outreach activities	385.069	261.856
Redemption mortgage due in coming year	7.726	7.726	Organisational Development		17.809
Grants	273.733	520.933	Total expenditure	3.143.691	2.658.210
Accounts payable	187.802	96.336	BALANCE	-27.166	-9.117
Liabilities to Partners	77.802	166.964			
Wage withholding tax	21.259	16.135	EXTRAORDINARY LOSSES	39.206	-53.857
Provision vacation pay	97.834	78.446			
Security on rent	22.890	11.082	TOTAL BALANCE	12.040	-62.974
Other current liabilities	36.095	24.599			
Total liabilities	3.127.442	3.415.718			

All amounts in euros. Full audited financial reports are available from the TNI office on request and on our website.

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TOTAL		2,906,357



The Transnational Institute (TNI)
was founded in Amsterdam in 1974.

It is an international network of activist-
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of the global problems of today
and tomorrow.

It seeks to provide intellectual support
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to steer the world in a democratic,
equitable and environmentally
sustainable direction.