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"What's in the bags, Goldman?"On Climate Apartheid

We are entering a climate crisis. As we struggle to find what it takes to survive, an investment banking firm has it all figured out. In 2012, as Hurricane Sandy paid a devastating visit to Greater New York, Goldman Sachs showcased impressive problem-solving capabilities by averting the storm from its New York headquarter. This posed a question: If Goldman could protect itself from the climate disaster, why couldn't the rest of the region? Argued here, Goldman highlighted a severe societal bug - climate apartheid. Previously, climate apartheid has been discussed as a result of the coming climate apocalypse, signified by global climate migration (Dawson, 2017). I argue that climate apartheid is already a well-established feature of extremely unjust cities like New York, where the rich pay to escape climate disasters while the poor suffer. Although Goldman's achievements were founded on societal injustices, they accomplished what most have not – to evade climate disaster. To rephrase the question: if Goldman survived, can we?

Introduction

For a long time, environmentalists spoke of climate change as the one great equalizer, a crisis that will affect everyone irrespective of affluence (Klein, 2014, p. 52). This narrative has been echoed by various influential actors, not least the United Nations (UN) through its summoning of nations to fight the common cause. In this respect, climate change was supposed to bring us together, rich and poor. Yet, many signs indicate that it is doing the opposite: dividing society into enclaves of the wealthy who can afford to protect themselves from the crisis while the poor pay the price. Earlier this year, the United Nations Human Rights Council (HRC) released a report (HRC, 2019), shedding light on the worrying relationship between climate change and increased inequalities. This echoes previous scholarly work, notably Ashley Dawson's Extreme Cities (2017), which emphasizes that cities of extreme inequalities are where the impacts of climate change will be most visible. Just as Dawson makes clear, the report stated that we are on a trajectory towards a climate apartheid scenario "...in which the wealthy pay to escape the climate disaster while the rest of the world is left to suffer" (HRC, 2019, p. 14). However, in contrast to HRC's projection, I argue that we are already in a state of climate apartheid.

Drawing on Hurricane Sandy's violent intrusion into Greater New York in 2012 - where vulnerable New Yorkers were stranded in a blacked-out city while the investment banking firm Goldman Sachs's headquarter remained intact, this article expands on previous discussions about climate apartheid. I question claims about climate apartheid being mainly a result of global climate migration from the global south. By placing the concept in an urban setting, I emphasize how climate disasters bring the underlying structural inequalities embedded in our societies to the surface. Drawing mainly on Dawson (2017), I explore how the affluent capitalize on these inequalities, and ask what it will take for the rest of us to survive the coming climate crisis.

Hurricane Sandy: impact and aftermath

On October 22th, 2012, unusual weather conditions caused several storms to entangle into one gigantic superstorm referred to in the press as 'Frankenstorm Sandy' (Hanna & Castillo, 2012; Drye, 2012). Having reaped havoc in the Caribbean, unexpected weather changes made Hurricane Sandy defy meteorologist's predictions of continuing into the cold Atlantic waters to die. Instead, Sandy took a sharp left turn, setting sails towards the American East Coast.

As Hurricane Sandy ran amok along the coast, killing 41 people in New York City alone and leaving one million New Yorkers without power or access to public services (Alden, 2012; Gibbens, 2019), one building in the otherwise blacked-out Manhattan was bustling:

Sachs's headquarter (Pressler, 2012). On the third day of New York's acquaintance with Sandy, whilst 6.3 million people were suffering from power outages across the country, regional public transport systems were completely shut, and four regional hospitals closed and started evacuating 2,000 patients, Goldman reopened its doors to employees (CNN, 2019; City of New York, 2018; Kaufman et al., 2012). It would take two more days for authorities to report that approximately 67% of gas stations in metropolitan New York were out of gasoline, and four more days for Mayor Bloomberg to release a statement that an estimated 30,000 to 40,000 people in New York needed housing as a direct result of Sandy (Ibid). Five days after Goldman reopened, some public schools started reopening (Ibid). Yet, for Goldman Sachs it took two days to reopen after Sandy shocked Greater New York. It seemed Goldman was simply good at storm preparedness - perhaps too good.

According to Goldman's CEO Lloyd Blankfein, the firm had protected itself from the superstorm by investing in backup generators and floodproofing entrances by aligning them with 25,000 sandbags (Alden, 2012). When asked about Goldman's storm preparations, Blankfein responded "...we learnt a lot from 9/11, so when we built our building, we built it with a lot of redundancy, and a lot of backup power" (Blankfein in Pressler, 2012). It seemed Goldman had generated enough electricity from their back-up generators to power the whole neighborhood - creating an 'oasis of electricity' for the financial district (Alden, 2012). The power generated from its generators reportedly made Goldman's headquarters light up like a Christmas tree, making it look completely alone in the backdrop of a blacked-out Manhattan (Pressler, 2012). Its rapid resurrection generated a series of sour public reactions. Some Tweeted their outrage; "...are you trying to send a message to the rest of us...the fact that NYU hospital is dark, but Goldman is well-lit is everything that's wrong with this country" (Pressler, 2012). Another Tweet stated jokingly "...no wonder they are worried about the beaches in New Jersey eroding, all the sand is at Goldman's headquarter!" (Ibid).

Sandy's wrath underlined several societal setbacks. The City of New York found that outdated infrastructure and a lack of planning to deal with superstorms made New York and particularly New Jersey – the poorer of the two states – extremely vulnerable (Gibbens, 2019). Goldman, however, was two steps ahead. It knew something that authorities didn't – how to fight superstorms. It also seemed to have something that the rest of the region didn't – resources to fight superstorms. This cannot be a coincidence. What enabled Goldman to take the lead? I suspect climate apartheid.

Climate Apartheid

As our supranational powerhouses are bracing for another climate conference, they have found a new concept to play with. This time it's serious. The UN recently reported that climate change is "an unconscionable assault on the poor...threatening basic human rights in the global south" with a risk of unleashing climate apartheid (HRC, 2019; Carrington, 2019). The European Union (EU) followed suit, declaring a 'climate emergency' to jump start its member states ahead of this years UN climate conference in Madrid (Rankin, 2019). It's nice to see the ambition, but what is really meant by climate apartheid?

The concept remains understudied and is often connected to global climate migration, making current discussions a decoy for leaders of the global north to tilt heads towards the global south as their cities sink. In his book Extreme Cities (2017), Dawson provides an account of climate apartheid, arguing that displacement resulting from climate change ultimately will lead to more climate migration across the globe. Food insecurity caused by draughts, lack of clean water, and conflicts resulting from a lack of resources will force people, particularly from the global south, to seek new homes. At the rudder of this chaos, Dawson argues, we find the global north, whose historically unmatched production of carbon emissions together with the refusal to take responsible actions to mitigate climate change, consigns entire nations to disappear beneath rising seas or searing droughts (2017, p. 194). Migration, Dawson states, becomes the only possible form of adaption to the climate crisis (2017, p. 198).

Touching the subject from a different angle, Saskia Sassen (2013) agrees that the global north is to blame, but disagrees with the term migration, believing it to be a misappropriation of the conditions that force the rural poor off their lands (2013). Sassen emphasizes the sharp increase in the volume of land acquisitions by firms and foreign governments in the global south since 2006 (Sassen, 2013). This includes my home country of Sweden, with the municipality-owned Swedish company Svensk Etanolkemi AB acquiring land in Tanzania to grow sugarcane for biofuel production (Regeringen, 2011, p. 19). Luckily, the Swedish Government states that "...such investments must be compatible with sustainable development" (Regeringen, 2011, p. 4). Yet, Sassen argues that foreign land acquisitions to grow raw materials for biofuel production, or to mine minerals for technological innovations "needed to solve the climate crisis" (SVT, 2019), has increased hunger in places where before there was poverty, but no hunger (Sassen, 2013). Survival is a major challenge for rural residents in the global south who are forced to migrate to cities in search for work. For Sassen, expulsion is being rebranded as migration which obscures the fact that firms and governments in the global north are running the expulsion of rural poor in the global south (2013) - setting the pace for climate apartheid.

Whichever term one prefers, Dawson argues that climate migrants/refugees describe a condition of socio-economic precariousness making them easy to exploit, much like the racial capitalism of the apartheid system in South Africa (2017, p. 194). Unlike Sassen, the term climate migrant is consciously used by Dawson to underline their value to the global north. In the South African apartheid system, denied full citizenship, the black majority were granted rights of residency as long as they engaged in manual labor in mines feeding the white economy (Dawson, 2017, p. 230). In climate apartheid, Dawson argues that a similar hierarchical system will ensure climate migrants turn into assets - cheap labor - to be exploited in the decadence of the capitalist system (Ibid). In a world of climate apartheid, the product of climate-induced migration, through e.g. land acquisitions (Sassen, 2013), is the inevitable strategy of a disaster capitalist "...looking to make money off the apocalypse" (Dawson, 2017, p. 231). After all, as former American president George W. Bush has it; 'America is built by migrants' (Bush Presidential Center, 2019).

The discussion around climate apartheid has, with all right, stayed within the parameters of global climate migration/refuge. The impact expulsion has on people mustn't be underestimated and can by all means be considered the ultimate form of climate penalization. Yet, is climate apartheid in the global north dependent on migration from the global south? Looking back at the havoc Hurricane Sandy caused in Greater New York points to severe societal injustices unveiled and amplified by the climate crisis. The question is whether climate apartheid is a distant future threat to be delivered with the coming of a climate apocalypse, or whether it already is and has been an inherent part of the extreme city?

Climate Apartheid in the Extreme City

To identify climate apartheid, there is no need to look at deforestations of the Brazilian amazon displacing indigenous communities from their land, the migration of residents of sinking Pacific islands, or Swedish expulsions of farmers in Tanzania. For New Yorkers during Hurricane Sandy, it was enough to witness the curious sight of activity in Lower Manhattan's financial district as the rest of the region lay dormant. The bustling scene around Goldman's headquarter highlighted an unconventional characteristic of New York's electrical system - it so happened that the electrical grid of the financial district never shut off as the storm swept through (Alden, 2012). Goldman's backup generators were in fact not the source of the financial district's revival, but they helped power shops and restaurants located in its building; including a fine wine boutique and an upscale grocer (Alden, 2012). As stated by CEO Blankfein, it seems Goldman was in fact extraordinarily well trained in superstorm mitigation. On top of it, they seem to have been very fortunate - perhaps too fortunate.

New York has long conducted planning to serve the comfort of the rich at the discomfort of the poor. An early example is the planning of low-hanging bridges on Long Island between 1920- 1970 deliberately designed to discourage minority groups dependent on bus systems to reach the beaches and parkways on the island while affluent whites passed under the bridges in private vehicles (Winner, 1986, p. 123; Khawarzad, lecture 2019-09-30). Other developments to please the rich have been directly dangerous for the poor. This involves extractions of raw materials and government-led land 'reclamations' of areas perceived as underdeveloped – including the exploitation of invaluable natural lands nurturing ecosystem services for coastal regions and entire cities. Such is the faith of Jamaica Bay – a coastal wetland estuary located on the south- western tip of Long Island, New York – serving as the largest and most productive coastal ecosystem in northeastern United States, rivalled only by the New Jersey Meadowlands (Dawson, 2017, p. 69).

Jamaica Bay is home to thousands of species of animals, insects, and plants that protect coastal regions by absorbing storm surges (Dawson, 2017, p. 70). Due to extraction of sand for cement production and the expansion of development into wetlands, Jamaica Bay is disappearing (Dawson 2017, p. 72). Since 1950, Jamaica Bay's natural wetlands have decreased by 63% as a direct cause of human activity (Ibid). By trading tidal wetlands for land development "...New York denied itself a frontline defense against storm surges" (Dawson, 2017, p. 71). Absent of natural protection New York suffered severe flood damage. While the flooding of Manhattans financial district received most media attention, poor coastal communities bore the brunt of the storm, with African American communities in Queens and Long Beach bearing a major share of the impact while affluent white communities like Westhampton Beach experienced far less damage due to its higher topography, lower housing density, and its preservation of dunes to mitigate surges (Seller, 2017). While past planning has set the stage for climate injustice, current plans to topple the crisis seem to follow the same trajectory of selective nitpicking of what, and ultimately who, is worth to protect.

Such prioritizing runs through the now preventative agenda. To combat the climate crisis, New York has turned to complex engineering solutions (Dawson, 2017, p. 96). The federal government initiated the Rebuild by Design competition funded and ran as a public-private partnership between the Rockefeller Foundation and the US Department of Housing and Urban Development (Ibid). The 'BIG U'-project won the competition with its proposal for a ten-mile long storm barrier defending the southern tip of Manhattan while doubling as a park (Dawson, 2017, p. 159; Rebuildbydesign, 2019). Unsurprisingly, the southern tip of Manhattan also happens to be the location of the financial district. Perhaps it comes as no surprise that the defense of the financial district gained more attention and funding than the defense of poor and

Goldman Sachs protecting headquarter with sandbags during Hurricane Sandy. photograph by UN Norway ©, Flickr.

vulnerable coastal communities. While problematic in itself, the concerns associated with the BIG U-proposal is not that it ignores impoverished communities - it places them in danger.

Such storm barriers displace water to keep an area dry (Dawson, 2017, p. 160). According to Dawson (2017), there is a high chance that the water displaced by BIG U will end up in nearby areas like Red Hook, Brooklyn, where Hurricane Sandy caused excessive damage to public housing. Storm barriers also disturb natural regeneration of land which in itself could serve to protect Manhattan from flooding (Wells & Peterson, 1986). With this in mind, the main incentives for the BIG U-project does not seem to be about protection, but financial gain. Today, 60% of the global wealth is invested in real estate (Dawson, 2017, p. 35). The BIG U will undoubtedly release more value from the already extortionate land on Lower Manhattan - a price to be paid with the lives of the poor. While climate apartheid definitely is a growing concern on a global scale - In Greater New York, it is a long-established urban reality. And rather than being an unfortunate outcome of climate change, as long as officials plan for affluence with the lives of the poor, it will remain an intrinsic part of planning and design.

To pick back up on the discussion on Goldman Sachs, the investment bankers seem to have picked the longest straw. Yet, when criticized for their rapid revival, CEO Blankfein stated in an interview that it was frustrating to be criticized for what was ultimately a good thing (Pressler, 2012). Blankfein argued that it was "... ridiculous...We were lucky. We were in the heart of the flood zone and we worked hard and did the sensible thing. Having done what we did, it put us in a position to help other people in the neighborhood" (Blankfein in Pressler, 2012). Blankfein was referring to the extra water and power that Goldman provided to the community after the storm had passed, as well as the pumps they borrowed to the Port Authority (Pressler, 2012). Blankfein ended by stating that he thought if other people would do what they did "the place would be better off" (Blankfein, 2012).

Maybe New York's favorite punching bag was right, maybe they were the good guys after all. In all fairness, when the lights turned on in Goldman's headquarter it pointed out how ill- prepared the rest of the region was. Also, like Blankfein argued, Goldman was in fact responding very generously while Sandy reaped havoc, donating over $10 million to Sandy relief. Despite the sour comments on Twitter, perhaps Goldman deserved themselves a title of New York's very own Robin Hood by taking from the rich and giving to the poor. It might as well have been the case, except for one detail: the sand in those 25,000 sandbags lining Goldman's headquarter really did come from New Jersey (Pressler, 2012; Alden, 2012).

What about the rest of us?

To conclude, it seems Goldman has found a loophole to survive superstorms – climate apartheid. They already had time to practice, so their chances of surviving coming climate disasters are high. What about the rest of us? There might be hope with both the UN and the EU now recognizing the vulnerability of the less affluent to climate change. As our leaders meet in Madrid to discuss the next destination for supranational climate intervention, let's hope they have plans for their own cities too. I doubt they will. It is difficult doing two things at the same time – recognizing domestic climate apartheid when looking the other direction. So, what's the alternative? Next time climate chaos strikes, will Goldman protect us? Or will they grab their bags and run? Perhaps authorities can beg them to stay, promising higher barriers or more sand from vulnerable coastal regions – the BIG U is a start. Maybe we can try something new: next time Sandy swings by, perhaps the rest of the region can cope if resources are more evenly distributed. Until then, cling on to something sturdy, shut your eyes and prey Goldman's banker-buddies will save you.

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Hurricane Sandy's destruction of a New Jersey home. Photograph by Wavian, Flickr.