

Popular Resistance Against the Specter of Green Capitalism: A Case of the Vung Ang 2 Coal Power Plant Project in Vietnam

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I. Introduction: The Specter of Green Capitalism

Capitalism has been an enemy to critics, from moderate environmentalists to more radical eco-socialists, who attribute global environmental destruction to the capitalist mode of production and consumption that do not respect the planetary boundaries. In response, the economic paradigm that dominates the world order has evolved into green capitalism or eco-friendly capitalism, which is based on the belief that the existing economic system can be compatible with ecosystems. Advocates of this approach lay their hope on the self-regulating market in reducing environmental problems and furthermore creating new business opportunities. The rise of green growth policy vis-à-vis green new deal in the mainstream global politics is one classic example of market-oriented solutions.

Counterarguments are posited from the diverse schools and perspectives, but their commensurable baseline point is that green capitalism is another version of petro-capitalism only with a green brand and sustained by socio-economic and environmental burdens imposed on marginalized communities to bear. Indeed, a huge tide of rebellious voices is striking the globe. One of the hottest battlefields where protagonists and antagonists of green capitalism collide is the supply chain of the energy sector, from extraction to consumption of fossil fuels. While the development of renewable energies is being heralded as new green business opportunities, still fossil fuel is the dominant energy source for economic growth. Against this backdrop, '[Blockadia](#)', a space of struggles against environmentally destructive extractive industries and power plants in Naomi Klein's term, is emerging. According to the Environmental Justice Atlas, there are around [70 locations across](#) the globe enlisted as Blockadia. Although the list is not exhaustive of all popular movements against extractivism in the world, the map indicates that those rebellious spaces are connected across the border to fight for environmental values and climate justice vis-à-vis the global chain of fossil fuels.

The focus of this article is placed on the emerging role of South Korea in the global extractives sector and Blockadia against it. So far, South Korea, located at the margin of the Far East, has been understudied for its recent expansive move towards the global energy market, especially the coal-fired power business. Whilst Western companies like the General Electric, the largest builder of coal power plants in the world, [divert away](#) from the old energy industry, the Korea Electric Power Corporation (KEPCO) pursues the construction of coal-fired power plants in foreign countries, especially where the recent economic growth rate records high. However, it insists on the construction of coal-fired power stations in Indonesia and Vietnam while by contrast the Korean government boldly exhibited its green new deal plan and recently began a strong drift towards a farewell to old coal-fired power plants. This article examines the contradictory move of South Korea – that is, domestically green but internationally brown – in the context of its green growth strategy. It is structured as follows. First, it explains the history of South Korea's economic growth, wherein the state has led transferring ecological and socio-economic risks and burdens to marginalized communities. Second, it illustrates the KEPCO's construction project of the Vung Ang 2 coal power plant in Ha Tinh Province, Vietnam and people's resistance against it. Finally, it concludes by remarking 'Blockadia', South Korea's plan is essentially self-contradictory and should be reoriented to sustainability.

II. Korea's Self-Contradictory Green Vision – Green Inside, Brown Outside?

The mainstreaming of South Korea's green vision in policymaking began in 2008, when the President Lee Myeong-bak boldly introduced the 'Low-carbon Green Growth' policy. This initiative was viewed as a new, comprehensive policy framework for national economy that stresses the development of green technologies and infrastructure. Thereafter, several governmental projects in various areas followed to bolster green growth. Among them were public investments in green transportation, green vehicles, eco-city and circular economy. The government also enacted the Framework Act on Low Carbon, Green Growth in December 2009. These actions were welcomed by the global society, which led to the government's success in 2012 in a bid to host the headquarter of the Green Climate Fund (GCF), a global monetary fund to assist the development and implementation of climate adaptation and mitigation policies in developing countries.

However, in contrast to the global reputation as a [pioneer](#) of the green agenda, domestically the Korean government faced heavy criticisms on its projects for green growth. Among many, the most controversial point was the [Four Major Rivers Restoration Project](#), whose purpose was to link four rivers that sustain the major ecosystems in the country to one waterway and construct mega-dams to protect the environment and create business opportunities, like canal tourism, for local residents. This national construction plan met the society-wide opposition as critics saw it as a [greenwashing](#) of the government's old growth strategy heavily relies on land development. Although the government claimed that the project would reduce eutrophication in the rivers, after weirs and dams were built, the rivers became huge reservoirs, severely [damaging](#) and distorting river ecosystems.

After a decade, the government regime was changed as the opposition party, the Democratic Party, won a landslide victory both in the presidential election and general elections respectively in 2018 and 2020. Soon after the new National Assembly was inaugurated, the president Moon Jae-in announced a green new deal plan as a national strategy for post-pandemic economic recovery. The green new deal pinned down the urgency of decarbonization and set the 2050 Net-Zero target. However, how far Moon's administration changed the course of the green growth discourse is still in question. A simple comparison begs a thorough scrutiny. At a glance, however, if there is a difference between Korea's green vision in 2008 and in 2020, it is that Lee's green growth initiative was viewed domestically brown, internationally green, Moon's green new deal the opposite.



Photo 1. An ad published in the Washington Post by nine environmental groups. South Korea's decision to build Indonesia Jawa 9,10 Coal Power Investments and Vietnam Vung-Ang-2 has been criticized as a greenwashing that contradicts the Green New Deal.

The government's actions in line with the green new deal included exiting from the coal-fired power generation and developing renewable energy sources. Thus, a half of coal-fired power stations in South Korea would be [shut down](#) within ten years. KEPCO, the state-owned electricity company, followed the national green strategy and declared its official [divestment](#) in foreign coal power plant markets. In 2020, it cancelled two overseas projects to build coal-fired power plants in Philippines and South Africa. However, the KEPCO is insisting to continue the building of coal-fired power stations in Vietnam and Indonesia, undermining its own green promise. This paradoxical decision from the state-owned company actually mirrors the government's self-contradictory moves. On one hand, the government vowed to close down coal-fired power plants, but on the other hand, new power stations that provide electricity to the capital area by combusting coals are being built in rural areas, in spite of vehement resistance from local communities concerned on environmental and public health issues. Globally, according to an [OECD document](#) revealed by the Avaaz, South Korea has been the largest sponsor country in subsidizing foreign coal-fired power plants and ranked the third in terms of investment in overseas coal power market.

III. Vung Ang 2: Planning, Problems and Actions

It is the Vung Ang 2 coal power plant that vividly contrasts the Korean government's green vision and actual action. The plan to build this new coal-fired power station in the Hà Tĩnh province, Vietnam, was forsaken by many global financial institutions. Until December 2019, those who cancelled their financing the project were the CLP Group, the General Electric and the Standard Chartered Bank. The project also met dissenting voices from various influencers, including Mr. Al Gore, Christiana Figueres, the Blacklock, and the Asia Investor Group on Climate Change. However, the KEPCO took a step to lead the project in collaboration with Korean and Japanese businesses. Although a study from the Korea Development Institute (KDI) [estimated](#) the loss of \$10 million from the project, the KEPCO maintained its decision to make a huge public investment in building the Vung Ang 2 coal power plant. In response to mounting opposing voices to the project, the KEPCO defended its position by arguing the Vung Ang 2 project would be its last investment in overseas coal power market and stressing high demand from Vietnam. The Minister of Trade, Industry and Energy also [advocated](#) the project as the KEPCO would use eco-friendly technologies in the Vung Ang 2 power plant. Besides, KEPCO, Doosan Heavy Industries & Construction and Samsung C&T Corporation stepped up to partner as constructors. Export-Import Bank of Korea and Hana are credit support. They call these coal project 'Team Korea'.

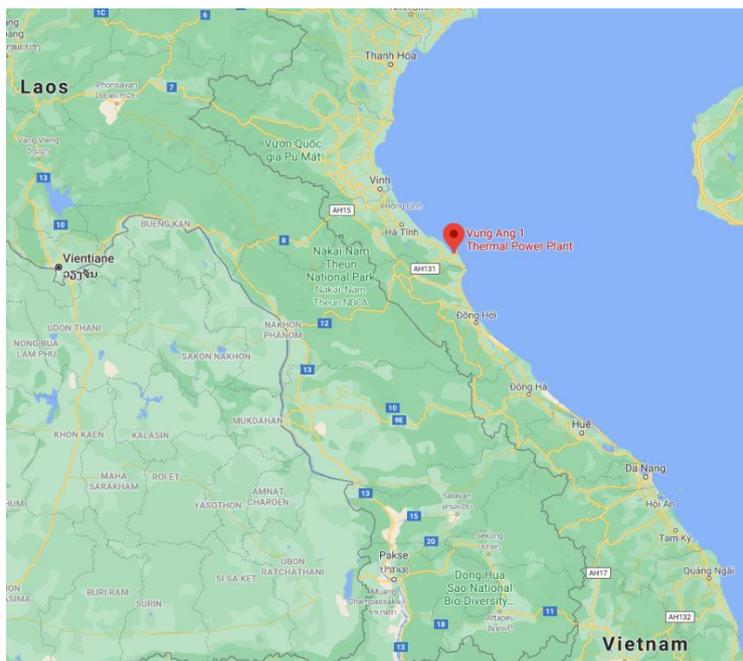


Photo 2. Map of Vietnam. Red point is place of Vung Ang power plant.

However, the government's claim that this will be the last investment does not appear to satisfy local communities in Vietnam but rather puts the government's commitment to its own green agenda into question. Let us first turn our eyes to local communities whose everyday life is at stake. Among many, serious problems brought by coal power plant are air pollution by fine dust and greenhouse gas emissions, water and land contamination and the loss of biodiversity. According to a [documentary](#) 'FISH OUT OF WATER' that revealed environmental problems caused by the Vung Ang 1 thermal power plant, villagers living in neighborhood with the power station are suffering from rare diseases. In addition, local communities lost significant portion of their income as river ecosystems collapsed due to a toxic chemical spill by the Formosa and the [Vungang 1](#). For communities vulnerable to social and environmental risks, the construction of another coal-fired power plant is thus a serious threat to their livelihood. Unfortunately, the consideration of local public health or community involvement is never seen in the KEPCO's construction plan.

Moreover, greenhouse gas emissions are likely increasing if the Vung Ang 2 coal-fired power plant is in operation. It is estimated that between 2025 and 2049, the new power station will [emit 1.8 billion tons of greenhouse gas](#) (to offset this size of the GHG, 15 Korean green new deal is required.). This not only contradicts South Korea's pledge to the Net Zero target but also Vietnam's policy to reduce dependence on coal-fired power generation. Currently, the Vietnam government is [developing a national strategy for renewable energies](#) including building more solar power stations that would substitute the role of coal-fired power plants in the country. Hà Tĩnh Province has [developed a plan](#) that sees no coal development in the province's energy mix and set a [firmer position against coal power plants](#) which cause serious environmental damages to the region. However, it is far more than doubtful how the KEPCO, as a leading organization of the globally controversial project, would resolve the conflict between stakeholders and achieve its pledge which is already broken.

Local communities are in grave despair but stand up for collective actions with cross-border solidarity against the construction project. Climate and environmental justice are on the horizon in places. Some members of the Korean National Assembly, in favor of the local struggle for their safe life and enjoyment of the healthy environment, tabled a set of [legislations](#) named as the “Foreign Coal Investment Prohibition Act” to prohibit the foreign coal investment of public financial institute. Greenpeace, the Solutions for Our Climate (SFOC), the Korean Federation for Environmental Movements (KFEM), the Climate Crisis Emergency Action (CCEA), Korea Beyond the Coal (KBC) have campaigned for an immediate stoppage of the project. Above all, YCEA(Youth Climate Emergency Action) activist call participant of Vung Ang 2 “five carbon enemies” and [pilgrimage their head office](#). They shot ‘declaration of demand to withdraw the construction of Vung Ang 2’ [and gathering signature](#) to end this harmful project. In English translation, activists said, “it is time to start the fight against those who fail to act even after admitting the threat of climate change. We are here to recognize and witness the greenwashing of these corporations and the neglect from our governmental institutions.”



Photo 3. YCEA activist are at protest and read their declaration on KEPCO’s head office. ©Sojin Kwak

IV. Conclusion: Dealing with Environmental Risks within Us

There has been a global trend that introducing green new deal as a policy for climate mitigation and adaptation, and it is understood as a solution to overcome economic recession brought by the ongoing COVID-19 pandemic. South Korea is positioning itself as one of the global pioneers who embrace a green vision within their economic doctrine. However, ever since the conservative government announced its green growth plan in 2008, environmentalists questioned how much actually 'green' the government's pledge was. Rather than making investment in renewable energies and green infrastructure, the government acted to paint its nationwide mega-dam construction projects with green color. In 2017, advocates of stronger climate policy laid their hope on the new government born out of the power shift from the conservative bloc to the liberal bloc led by the Democratic Party of Korea. Indeed, the new president Moon Jae-in announced the government's divestment in the global and domestic coal power business.

South Korea could be a real leader of global environmental policies if Moon's promise was upheld. On one side, the Korean government is publishing its efforts to meet the global net-zero target. On the other side, it reneges on its own promise as it is approaching to developing countries with a plan to construct new coal-fired power plants. Funding the construction of the Vungang-2 coal-fired power station in Vietnam, which Western investors cancelled, makes one case that reveals the paradoxical move from the Korean government. However, it is far from true that the government is struggling with resolving this self-contradiction. Rather, the government is pursuing its 'domestically green but internationally brown' green new deal. For the Vungang-2 project, the Korean government is stressing the host nation's request.

Then, if there is other country that want to cling to fossil fuels rather than renewable energies, would South Korea answer to its want again? At some point, the Korean government need to answer this difficult question. Either yes or no to the question is problematic. If yes, the government's green new deal would become an absolute lie as it contributes to polluting air and rivers and destroying local communities that rely their existence on nature – we all are actually. If no, the government would face another question that why it is insisting on the Vungang-2 construction project. It argues that the Vietnamese government requested, but what is in question is its 'coal over climate' policy. So far, the Korean government has not provided sufficient and satisfactory evidences that the new coal-fired power plant would not harm local communities and breach the planetary boundaries. Environmental risks within us are increasing while the Korean government is disguising its dirty business under the name of green new deal.

[Self-Introduction]

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