

The big polluters - big economies in Europe- have rerouted their garbage to low-wage, low-regulation countries inside the European Union since 2018. Before then, they outsourced the problem of pollution by literally shipping their trash to China for decades. When Beijing banned the toxic trade in 2018, it could have served as a wake-up call but it didn't.

There were angry protests in the streets of Pernik, Bulgaria, as residents denounced the toxic air and the depletion of the local dam. In this now-shrinking industrial center just twenty miles from Sofia, air quality meters routinely record appalling sulfur dioxide levels of over 900 micrograms/m³. This highly toxic gas — the main component of acid rain, when combined with water — causes respiratory damage and is particularly dangerous for children and asthmatics. Blame for the rising pollution was attributed to a nearby privatized coal power plant that burned garbage to meet the surge in demand for heating.

Complaints here, as in other towns, soon prompted a government investigation, asking why Bulgaria's power plants were really burning so much trash. The prevailing narrative sees this simply as a domestic problem, pointing the finger at corruption and collusion between public authorities and private business interests. But the problem isn't just local. Rather, it is fed by the European legal framework that permits trash burning in the first place — the "circular economy" ironically meant to serve the "transition to a sustainable society."

The circular economy aims to diminish waste levels and is a central plank of the newly proposed "European Green Deal" — yet this gesture is more of a window-dressing exercise that, as Yanis Varoufakis compellingly argued, has little to do with a real Green New Deal. The circular economy encourages reuse and recycling of consumer products via restrictive policies, such as bans on single-use plastics, but also through incentives for energy efficiency, recycling, and waste markets.

But the European directive regulating waste shipments has had a paradoxical effect: the rise of literal trash markets that transfer waste to Eastern Europe. If in the past the problem of trash was an outsourcing to China — the largest recipient of trash from the EU — this changed in 2018 when it enforced draconian restrictions on waste imports. With China abruptly shutting down the trade, the pollution outflow that began choking affluent European nations had to find alternative outlets. The trash, and the pollution associated with burning it, continues to be shipped eastward — but now it's citizens of other EU member states who must deal with the effects.

Playing the Garbage Market

Cross-border movement of trash within the EU does not really qualify as an "export" — indeed, it does not require any special state authorization, only a notification. The market-

based mechanism for waste disposal relies on and amplifies existing differentials within the EU. For example, burning waste in Bulgaria is estimated to be at least 50 percent cheaper than in Italy, since Bulgarian power plants underbid their Western European counterparts. Meanwhile, low taxes levied on deposition, combined with lax regulations on what waste gets buried, make Bulgaria a lucrative destination for disposal. This unequal situation is enabled by the European Commission's 2017 Landfill Directive. Though it aims to virtually phase out landfills by 2035, it provides for derogation for countries that rely predominantly on landfills, thus turning poorer member states' primitive waste disposal methods into a competitive advantage.

In December 2019, a public scandal flared up when the Italian military police apprehended a freight train containing 800 tons of illegal garbage headed for Bulgaria. Suspecting the involvement of the Italian mafia (specifically the Calabrian crime syndicate known as the 'Ndrangheta), Bulgarian investigative media and environmental organizations sounded the alarm that Italy was exporting untreated and toxic waste to the country. Italy's reputation (especially its southern regions) has been notoriously marred with poor waste collection and disposal, which has prompted the country to export a large amount of trash to alleviate the situation.

The intercepted 800 tons represented only one instance of such Italian shipments. Another 9,000 tons that reached the city of Pleven in late 2019 also caused grave concern. In fact, environmental organizations and the Bulgarian Socialist Party have been sounding alarms at least since the summer of 2019. And though 9,000 tons may sound like a lot, it is only a drop in a vast and unknowable ocean of trash drifting from west to east. For example, the investigative web portal Bivol claims Bulgaria is set to receive at least 1.5 million tons in the future, including Rome's garbage output. Yet, while Bivol tried to find out exactly how much trash was entering the country, the National Customs Agency of Bulgaria only partially fulfilled their request for information. They stated that 538 companies import trash from outside the EU, but refused to reveal their identities, citing a "lack of identifiable public interest" and safeguards in place about disclosing trade secrets. For its part, the Ministry for the Environment and Water disavowed having any details about the 800-ton shipment. Environmental organizations in Bulgaria have repeatedly called for more transparency, to no avail. This kind of information blackout seems facilitated by European Economic Community rules, which consider waste "imported" only when it originates from non-member states.

The State "Investigates"

The Pleven shipment caused alarm because environmentalists reported that the trash — supposedly sorted and ready to be recycled — was dumped on a field with no electricity or water access, rousing suspicion of illegal land deposition. Upon inspection, authorities discovered that the appropriate papers for the waste were in order. However, in order to address this indignation, the Bulgarian prime minister, Boyko Borissov, promised further investigations into waste-importing companies and threatened to intern corrupt officials at Belene — Bulgaria's infamous Stalin-era concentration camp, now a memorial site that hosts solemn anti-communist commemoration events.

In addition, the Bulgarian government seized twenty-five Italian shipping containers at the Port of Varna, and Borissov proposed a temporary moratorium on waste imports, curiously prompting letters of protest from associations of secondhand clothing importers. Borissov assured them that the state never considered secondhand clothes “trash,” but this seems contrary to the objectives of the purveyors of this business. The Minister of Environment and Water, Emil Dimitrov, representing the far-right United Patriots party, objected to the moratorium claiming it contradicted free-market principles.

As the 800 tons of Italian waste were unrecyclable, investigative journalist Dimitar Stoyanov exposed that it was destined for illegal dumping or incineration. He suspected the recipient was Hristo Kovachki, one of the richest entrepreneurs in Bulgaria, who made his fortune in energy by privatizing state-owned power plants and coal mines.

A Universe of Trash

Environmental activists and experts claimed Kovachki's socialist-era lignite coal plants were not suited for waste incineration or burning so-called refuse-derived fuel (RDF), yet he was granted permission from the state to burn garbage despite failing to obtain social and ecological impact assessments. This, critics claim, is only possible because Kovachki enjoys protection from those at the most senior levels of the government and state administration. The Ministry of Environment and Water assured the public that Kovachki's plants do not emit toxic pollution beyond ordinary levels, lending credibility to accusations of collusion. As some environmentalists claim, this is not possible given that his plants were built over fifty years ago to be powered only by lignite.

Kovachki has long been in the spotlight for flagrant labor and environmental abuses. For example, Lider (now the Bulgarian Democratic Center), a short-lived and baseless political party he founded, became infamous for extorting workers in one of his coal plants to vote for the party or face starvation. To ensure a decent turnout, the only Kovachki-owned supermarket — where his workers' food vouchers were valid — imposed severe shortages of

basic necessities, and many disobedient workers were threatened with layoffs. According to a leaked US embassy cable, Kovachki received seed capital from Konstantin Dimitrov, a notorious trafficker who was publicly assassinated by rival mafia gangs in 2003.

With coal getting more expensive due to European emissions taxes, Kovachki seems to be moving into the garbage business. Trash Universe, a waste-import company connected to Kovachki, is set to import 1.5 million tons of waste. Bivol's investigation alleges that it works closely with Sergio Gozza, a shady businessman who, until recently, has fed Romanian cement factories an endless supply of Italian waste. After Romania tightened its regulations, shipments were diverted to Bulgaria due to its more business-friendly environment and lax environmental regulations (i.e., only plants burning upward of one hundred tons of waste per day are obliged to conduct environmental impact assessments, while Bulgaria's Waste Management Act provides for a highly liberal licensing regime for import and treatment companies).

But as the scandal began dominating media headlines, the state was forced to return some of the containers. The stated reason for this was that the exporting entity claimed it consisted of plastics and rubber, while in reality the cargo contained all sorts of unsorted municipal trash unfit for burning. As far as the Bulgarian state is concerned, importing trash is not a problem — unless some irregularity in the paperwork is detected.

“Take the Waste Home”

The framing of illegal dumping as a mafia problem dominates discussions of European waste disposal in Bulgaria. Though mafia involvement is undeniably present, such a framing ignores the extent to which it is actually not only legal to burn trash in low-income countries with lax environmental regulations, but it is actively encouraged by the “circular economy” and the EU's founding principle of the free mobility of goods, capital, and people.

For example, when the citizens of Pernik went on protest, the executive of the Republika Power Plant (owned by Kovachki) said that the introduction of biofuels and RDF is promoted by the government's national investment plan and is fully in-line with European directives encouraging the expansion of the CO2 emissions quota trade. This is absolutely correct. The Council of the European Union officially urged “the Commission to consider how the movement of waste destined for recycling could be facilitated within the Union,” exploiting price differentials within the EU. The founding EU principle of freedom of movement of capital, goods, and people needs to be updated to include the free circulation of trash. As the ex-environmental minister Neno Dimov — a far-right climate change denier who was sacked for presiding over the depletion of the Studena Dam — said, Bulgaria is not burning

enough imported garbage, “only 3 percent.” For his part, the new Minister of Environment and Water pressed the point on the inevitability of waste imports and RDF even more brutally. When more protests broke out, he unceremoniously insulted the citizens, telling them, “If you don’t like RDF, then put the trash in your own gardens.”

The latest Bulgarian waste import scandals highlight the social and environmental price of market-based solutions to Europe’s waste problem, and the inequality upon which Europe’s lauded “green circular economy” rests. Who can blame the businesses engaging in this trashy trade? After all, maritime ports and freight companies rake in cargo charges; and cement factories and power plants not only get free fuel but are paid to burn trash — and even save money because the EU considers RDF to be “carbon-neutral,” rewarding it with emissions credits. Meanwhile, the state coughs up higher prices for the electricity produced by burning RDF to stimulate “renewable sources of energy,” and wealthy countries like Italy rid themselves of their towering trash heaps at bargain prices.

It is a win-win business for everybody involved — except for nature and for local residents who are forced to breathe the toxic pollution released by the “circular economy.” It seems that expanding the garbage markets as a solution to pollution does not actually solve the problem, but just shifts it to cheaper countries whose environmental and social well-being can be sacrificed for the sake of keeping the core European states “green.” The problem will most likely worsen, given the tendency of the fossil industry to expand the production of plastics to make up for lost revenue caused by the fracking boom.

The market has proven woefully inadequate for tackling our pollution problems; in fact, it only deepens them. Instead of markets in trash, we need to move swiftly to rein in trashy production that trashes the planet for profits. This demands draconian restrictions on the production of disposable items, on planned obsolescence, and on the tendency of overproduction of high throughput sectors such as “fast” (but also regular) fashion.

Maddenningly, vast volumes of new garments do not even reach the stores but go straight to incinerators and landfills in order to maintain the price and prestige of the final goods. Such overproduction is a problem endemic to capitalism — and the obsolete model of industrialization on which it is historically based. If the European Green Deal is to be truly green, market mechanisms must be removed from the equation.

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