



HOT EARTH

The case for planning and regulation
to deal with the climate crisis

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Communist Party of Australia
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INTRODUCTION

Scientific and technological progress under capitalism is used to make profits by exploiting people and nature. This has been the major contributor to the environmental and global economic crises we now face.

In capitalism today, the future does not amount to much. Profits come increasingly from financial manipulation and corporate profits are geared towards short-term profit making.

Capitalism has brought humankind to the edge of catastrophe. It is an unsustainable system.

Every environmental struggle — on the job or in communities — comes up against corporations that own the factory or mine the mineral deposits. This ownership and the vast wealth of these corporations give them the power to oppose changes to protect the environment.

The power of corporations is defended by governments which support corporate interests. This is often done behind declarations that environmental protection measures will not be allowed to damage the economic interests of the country — meaning, of course, the economic interests of the capitalist ruling class.

It is sometimes suggested that the environmental crisis is so serious that it transcends class. It has been called "a common crisis" which affects everyone equally, and requires social divisions to be set aside for the "common good".

Nothing could be farther from the truth. The crisis is certainly common to all who live on earth, but it does not affect all equally, nor can it be solved by "common action" for two simple reasons — those whose actions have caused the crisis possess political power and show little inclination to change their present course towards disaster.

The majority of the human population who oppose the dangers are not politically powerful enough yet to take the necessary actions.

The need for a sustainable environment is overpowering. However, within the capitalist system it is impossible.

The continual growth demanded by capitalism undermines policies aimed at reducing carbon emissions.

Government support for market based policies has stifled almost all voices that question this policy and effectively ruled out the planning, regulation and legislation which are essential to ensure a sustainable future.

However, environmental struggle within the system is necessary. Measures to keep the situation from worsening are urgent. What we cannot afford to do is to go down the wrong path.

Climate change cannot be stopped by doing five per cent or even 25 per cent of what is necessary. If we trigger tipping points, the heating process will gather its own momentum and there will be nothing we can do to stop it. Doing too little to avoid those tipping points is equivalent to doing nothing.

Difficult political and social choices will have to be made. Who will make those choices, and how? Will working people be the victims of change or will we fight and win changes which will benefit us and our children?

Fundamental change is needed to meet the global environmental threats. Fundamental change means economic and social change, and a new politics built on the new economic base.

We have only ten to 15 years to address the crisis of climate change and to prevent catastrophe. What humanity does now will determine the future of planet Earth.

Part 1 THE CRISIS

A) What is global warming?

The overwhelming scientific consensus is that global warming and climate change are caused by human activities that emit “greenhouse gases” such as carbon dioxide, methane, nitrous oxide and others into the atmosphere.

The Union of Concerned Scientists put it this way: Think of a blanket, covering the Earth. When carbon dioxide and other gasses are released into the atmosphere, they act like a blanket, holding heat in our atmosphere and warming the planet.

The rising concentration of these gasses, primarily as a result of capitalist forms of production, has driven an unprecedented increase in average global temperatures in recent years.

Corporations are pouring carbon dioxide into the atmosphere much faster than plants and oceans can absorb it. These gases persist in the atmosphere for years, meaning that even if emissions were eliminated today, it would not immediately stop global warming or climate change.

Earth has experienced warming and cooling cycles roughly every hundred thousand years.. However, these changes have occurred over the span of several centuries. Today's changes have taken place over the last 100 years or less.

Emission levels

Every country emits greenhouse gases. The level of responsibility to reduce emissions should not be assessed on total emissions, but rather on the per capita emission rate and level of development of each country.

Country	Total Emissions (Million Metric Tons of CO ₂)	Per Capita Emissions (Tons/Capita)
China	6534	4.91
United States	5833	19.18
Russia	1729	12.29
India	1495	1.31
Japan	1214	9.54
Germany	829	10.06
Canada	574	17.27
United Kingdom	572	9.38
Korea, South	542	11.21
Iran	511	7.76
Saudi Arabia	466	16.56
Italy	455	7.82
South Africa	451	9.25
Mexico	445	4.04
Australia	437	20.82
Indonesia	434	1.83
Brazil	428	2.18
France	415	6.48
Spain	359	8.86
Ukraine	350	7.61

Energy Information Agency (US Department of Energy) 2008 data

B) What causes global warming?

In February 2007 the 300-member Intergovernmental Panel on Climate Change (IPCC) released a report, based on the work of some 2,500 scientists in more than 130 countries, which concluded that humans have caused all or most of the current planetary warming.

The primary cause of global warming is human activity, most significantly the burning of fossil fuels to drive cars, generate electricity, and operate our homes and businesses.

Most of Australia's greenhouse gas emissions come from the burning of fossil fuels for energy. When oil, gas or coal burns, carbon contained within it combines with oxygen in the air to create carbon dioxide.

Many industrial processes such as aluminium, cement and liquid natural gas production and coal mining produce greenhouse gases.

Deforestation (land clearance and logging) is another major contributor. Plants take up carbon dioxide from the air during photosynthesis. When land is cleared, the stored carbon is converted back to carbon dioxide. Denuding land of trees also causes erosion and flooding.

When forests are burned, they release huge amounts of carbon into the atmosphere. When the forests are gone, they can no longer absorb CO₂. Since 1788, 20 billion trees have been felled in Australia.

In 1987 alone 8 million hectares of the Amazon Basin were denuded of forest. The devastating floods in Bangladesh were partly the result of forest being stripped away from the foothills of the Himalayas.

Animals, particularly sheep and cattle, produce large amounts of methane. Some fertilisers also release nitrous oxide, which is another greenhouse gas.

Carbon dioxide and methane are released during the decay of food, vegetation and paper dumped in landfills. The same thing occurs when sewage wastes break down.

Australia the highest polluter

Australians are the highest greenhouse gas polluters per person in the developed world. But this pollution is produced by profit-driven corporations, not individual members of the community.

The main sources of Australia's greenhouse gas emissions are:

- 50% from stationary energy, primarily electricity generation;
- 16% from agriculture, mostly from cattle and fertilisers;
- 14% from transport;
- 6% from land use changes,
- 5% from industrial processes such as cement, steel and aluminium production

Australia's electricity-related emissions are so high because the country relies primarily on coal for electricity generation and coal is the most greenhouse-intensive fuel.

c) Is global warming a real threat?

Changing climatic conditions have already contributed to an alarming rise in extinction of species and extreme weather events.

Overloading our atmosphere with carbon has far-reaching effects for people all around the world — more extreme storms, more severe droughts, deadly heat waves, rising sea levels, extreme bushfires and more acidic oceans, all of which affect the food chain.

Australian nightmare

In Australia the climate nightmare is real and happening now. Soil salination, desertification and deforestation, pollution of the air and freshwater systems, destruction of waterways and a major loss of bio-diversity began after the country's occupation by Britain in 1788.

We are destroying the Great Barrier Reef, Kakadu and the snow caps. We are eroding our beaches, and our coastal cities will face managed retreat due to sea level rise.

Through irrigation practices that benefit non-native crops and through highly intensive agricultural practices, we are drying our food bowl, the Murray Darling, beyond repair, jeopardising rural communities and our food security.

Australia has experienced increasing rainfall and cyclonic conditions in the north, prolonged droughts and extreme bushfire conditions in the south, and new animal migratory patterns.

An April 2007 IPCC report warned that global warming could lead to large-scale food and water shortages and have catastrophic effects on wildlife.

- Recent studies show that sea levels could rise by half a metre or more. Rises of just 10 centimeters could flood many South Seas islands and swamp large parts of Southeast Asia.
- Some hundred million people live within one meter of mean sea level, and much of the world's population is concentrated in vulnerable coastal cities.
- Glaciers around the world could melt, causing sea levels to rise while creating water shortages in regions dependent on runoff for fresh water.
- Strong hurricanes, droughts, heat waves, wildfires, and other natural disasters may become commonplace in many parts of the world.

- The growth of deserts may cause food shortages.
- More than a million species face extinction from disappearing habitat, changing ecosystems, and acidifying oceans.

The loss of forests and other wild lands extinguishes species of plants and animals and drastically reduces the genetic diversity of the world's ecosystems. This process robs present and future generations of genetic material with which to improve crop varieties, to make them less vulnerable to weather stress, pest attacks and disease.

The loss of species, many not yet studied by science, deprives us of important potential sources of medicines and industrial chemicals. It removes forever creatures of beauty and parts of our cultural heritage, and triggers further losses of plant and animal species as finely balanced ecological systems are broken up.

Suicide

Current evidence suggests that the Arctic Ocean could become ice free in summer as soon as 2013. With the Arctic summer sea ice melting, the disintegration of the Greenland ice sheets becomes largely unavoidable, threatening to raise the sea level by five metres or more within this century.

About half the world's 50 largest cities would be at risk and hundreds of millions of people would become environmental refugees.

With the disappearance of the Arctic summer sea ice, the Arctic Ocean will absorb more heat, threatening global warming of 2.7°C. This would take our world dangerously close to the 3°C threshold which would amount to a global collective suicide by humanity, driven not by the people but by capitalist corporations.

Part 2 WHAT CAN BE DONE?

Burning fossil fuels has fired the engines of capitalism's exponential growth. The inescapable drive of capitalism for economic growth, accumulation and profit means the system is unable to comprehensively deal with the climate crisis.

Capitalism has always failed to provide hundreds of millions of people with food, education and health care. With the climate crisis, it will eventually fail all humanity.

However, the power of the corporations, their immense wealth and political power, can be constrained. With a massive mobilisation of working people we can begin to take steps towards environmental sustainability and towards the social transformation necessary to complete this process.

We have perhaps two decades to achieve this in order to save our planet and humanity.

The main demands which corporations and the governments which serve as their political agents must implement include:

Regulation

Corporations should not be allowed to continue to destroy the planet.

Companies which damage the environment should compensate the victims and pay the full cost of cleaning up the damage they have caused. They should be subject to massive fines and/or jail sentences for breaches of environmental protection laws.

Companies must install pollution control equipment and environmentally safe technology and they must be prohibited from passing on the cost of these measures to the consumers through higher prices.

Local, State and Federal governments must bring in legislation and by-laws to protect the environment, with stringent fines and jail sentences for transgressors, and to compel companies to stop environmentally damaging production processes.

Regulation is not unusual or radical. DDT was banned because of its effects on humans and the environment. Asbestos is banned because it kills people.

Building regulations are accepted, including new green building codes.

CFCs and other ozone depleting substances were banned in a move which saw sovereign states work together to successfully address a serious global environmental problem.

In Germany laws gave companies in some areas 12 months in which to make the packaging for their products recyclable.

Regulation is effective if it is backed up by government will, well-funded and properly enforced.

An important change is a move from defensive to offensive approaches. Currently most governments focus on cleaning up or repairing the consequences of destructive behaviour.

They must instead ban the destructive behaviour and work to build a sustainable economy.

Workers' rights

Conversion to a more sustainable economy will require more workers, not fewer. Some of the "technologically advanced" but environmentally destructive methods in both mining and logging have been developed specifically because they use fewer workers.

It is crucial that the working class becomes involved in the struggle to save the planet from environmental catastrophe. Workers must be confident that protecting the environment is their interests and the interest of their children and future generations.

No worker must be worse off as a result of environmental protection measures.

Workers whose jobs are at risk from measures to protect the environment must be offered employment in environmentally friendly occupations and new green industries without loss of wages or any conditions and with full involvement of workers and their unions.

It is necessary to promote jobs growth in the sustainable energy sector and to ensure that job creation is equitable and targets geographic areas and economic sectors disadvantaged by the transition to a sustainable energy future.

As climate change is addressed, there will be new jobs and types of work in some industries. In some cases there will be entirely new technologies for existing jobs. In others, there will be new work activities related to reducing energy intensity and therefore reducing emissions.

The Australian Conservation Foundation and the Australian Council of Trade Unions 2008 report, 'Green Gold Rush', estimates that more than 800,000 new green jobs can be created in 15 years.

The report argues that Australia should focus on renewable energy, energy efficiency, sustainable water industries, biomaterials, green buildings and waste recycling.

The maximum participation of workers, unions and community is needed for this shift in industry and jobs to succeed.

Decent work and job creation are central to sustainable development because workers and workplaces are at the centre of production and consumption in society and have a key place in transforming production at all levels.

Losses in coal mining, auto production, road construction, and metals prospecting will be offset by gains in the manufacture and sale of photovoltaic solar cells, wind turbines, bicycles, mass transit equipment, and a host of materials recycling technologies.

Since planned obsolescence will itself be obsolete in a sustainable society, a far greater share of workers will be employed in repair, maintenance, and recycling activities.

Aboriginal rights

A central element in efforts to combat the climate crisis and protect the environment is the return to Aboriginal communities of communal and inalienable title to their land, including the minerals and other natural resources.

The collective rights of indigenous peoples, their rights to land, culture, identity, language, employment, health, education and other issues must be recognised.

The rights of Indigenous peoples to free, prior and informed consent regarding all resources on their traditional lands must be an integral element of any transition to a sustainable future.

The Northern Territory intervention is opening up Aboriginal land and resources for exploitation by corporations which are guilty of massive environmental destruction.

Greater attention must be paid to indigenous knowledge and skills rather than the present exclusive reliance on the technology of industrialised capitalist societies.

This is not a call to abandon technology but recognition of the need to develop production processes and technologies which do not cause environmental damage, are appropriate for local circumstances and meet people's needs.

Public ownership

Public ownership of industry and resources, their democratic control and comprehensive planned development, taking into account environmental factors, is needed to meet the demands of workers and environmentalists and the future needs of all humanity.

Nationalisation of all major mining, power generation and water resources would redirect investment away from polluting industries and rebuild Australian industry for a sustainable future.

Instead of profits going offshore, they could be used to finance new clean industries with technologies that already exist.

Public ownership and economic planning provide the basis for Australia to develop and use its energy resources sustainably in tandem with a public transport policy, enabling carbon emissions cuts and a swift move towards a zero carbon economy.

Price and profit controls

The present assumption that corporations will pass increased costs on to the community must be challenged.

A policy of price and profit controls must be introduced to stop businesses from transferring any extra cost of production to the community and increasing their profit share.

Efficiency

Reducing carbon emissions and cutting energy consumption requires huge improvements in energy efficiency. The technologies to accomplish this are already available. No technical breakthroughs are needed, for example, to double car fuel economy, triple the efficiency of lighting systems or cut average heating requirements by 75 per cent.

Cyclical processes (in which the end product of one process is the raw material of another) must be developed and used, rather than linear processes.

Efficiency and safety stands must be established and enforced requiring the energy rating labeling of all residential and commercial buildings, motor vehicles, electrical appliances and power generating machinery, chemical processes including transportation, etc.

Corporations should be required by law to adopt energy conservation measures and waste disposal or recycling of metal, paper, and plastic products.

Re-use and recycling

Most materials used today are discarded after one use -- about two-thirds of all aluminium, three quarters of all steel and paper and an even higher share of plastic.

Recycling reduces energy consumption and helps cut land, air and water pollution.

Paper from recycled material reduces pollutants entering the air by 74 per cent and the water by 35 per cent as well as reducing pressures on forests in direct proportion to the amount recycled.

An energy saving of almost two-thirds is achieved when steel is produced entirely from scrap. Steel produced from scrap results in 85 per cent less air pollution and 76 per cent less water pollution with no mining wastes.

Every enterprise in Australia should be required to develop an energy conservation plan which should involve such things as conserving resources, recycling techniques and waste control.

Waste

In modern capitalist society, where more is spent on advertising than on medical and agricultural research combined, it is not surprising that consumerism leads to waste on an enormous scale.

Governments must establish plants for recycling industrial and household waste and special corporate taxes should be levied to fund research to develop environmentally safe disposal methods, cyclical production processes and improved re-use and recycling options.

The most modern and efficient means of waste disposal must be made mandatory and steps taken to limit packaging and protect communities during the course of toxic waste disposal. The disposal of toxic waste in poor third world countries must be banned.

Cut military spending

A ten per cent cut in military spending (\$70 million every day in 2011) would allow the funds to be allocated instead to environmental and social needs projects.

The concentration of vast economic and human resources on the arms build-up could be diverted to the development of alternative technologies, reforestation and other projects required to deal with the environmental crisis.

Public transport

Priority must be given to the use of public transport in cities and the transport of goods

The power of the motor vehicle transnationals must be curbed so urban planning can be for people, not for cars.

The provision of new public transport infrastructure, more frequent and more reliable public transport services that are publicly owned and operated, and new services to outer suburbs, would result in thousands fewer cars on the roads, reduction in carbon emissions and other pollution, and would also generate many jobs in areas of need.

At the same time as reducing the number of cars, provisions should also be developed for cyclists.

Country and regional rail lines should be re-opened for freight and passenger service under public control to make a substantial reduction in pollution as well as providing cheaper, safer and more reliable services.

Railway diesel locomotives are four to five times more fuel efficient than diesel road trucks and can haul the equivalent of many semi-trailers.

Development of a national rail network and transfer of long haul transport tasks to rail from road will bring a variety of environmental gains.

Diesel fuel subsidies must be phased out and the savings should be directed towards promoting rural rail freight and energy efficiency

Decentralisation

Decentralisation of electricity generation and distribution is essential for the future. About ten per cent of the energy is wasted in the transmission lines.

Decentralisation should be an important element in the development of a new type of society in Australia - one where conservation of energy matters.

Local government can play a key role in administering generation and distribution of energy as well as introducing other measures to protect the environment.

Forests

Reafforestation projects in Australia and overseas should be supported. It is estimated that planting 40 million hectares of trees in industrialised countries would lower CO₂ emissions by 200 million tonnes or three per cent.

Associated with this are projects to reduce the current disastrous deforestation, including the development of methane digesters and other suitable technology to replace wood as fuel.

Pacific islands

Australia's responsibility for Pacific island refugees driven from their homes by climate change must be accepted.

Australia has a responsibility to provide technological assistance to island states for the purpose of climate change mitigation and adaptation and well as resources for Islander representatives to present their case internationally.

Islanders whose lands and communities are destroyed by rising seas or other climate change related crises should be welcomed to our shores.

Part 3 INTERNATIONAL AND AUSTRALIAN RESPONSES

The science is clear. The Intergovernmental Panel on Climate Change (IPCC) stated that emissions need to be reduced by 25-40 per cent by 2020 “to stave off the worst effects” of climate change based on the target of limiting global warming to 2⁰C above pre-industrialisation levels. This is an extremely conservative target. It has already reached 0.8⁰C.

In a “wake-up call”, the IEA warned negotiators at the June climate change meeting in Bonn: “The world has edged incredibly close to the level of emissions that should not be reached until 2020 if the 2⁰C target is to be attained.”

Small Island States

The Alliance of Small Island States, a grouping of 43 countries particularly vulnerable to the impacts of climate change, is calling for a 45 per cent reduction by 2020 and for a 1.5⁰C cap on temperature rises. Their slogan is “**1.5⁰C to stay alive**”, one which reflects the reality of millions around the world, not just small island states.

“We are already suffering greatly from the changing climate that brings us more extreme weather events, warming oceans, and rising seas, that threaten our limited land resources, in a context where we do not have the financial or technological capacity to effectively respond,” the Alliance warns.

A number of third world countries are demanding a cap on carbon pollution of 350 parts per million (pm) to achieve a 1.5⁰C temperature rise.

Kyoto Protocol

The Kyoto Protocol which was adopted under the UN Framework Convention on Climate Change (UNFCCC) is based on the principle of “common but differentiated responsibilities” of developed and developing nations, in recognition that the developed countries are principally responsible for the high levels of greenhouse gas emissions in the atmosphere.

It recognises that economic and social development and poverty eradication are the first and overriding priorities of developing countries and that their share of global emissions will initially grow to meet social and development needs.

In accordance with this principle, developed nations gave legally binding commitments to reduce their greenhouse gas emissions and to provide financial and technological assistance to developing countries to enable them to plan and carry out mitigation and adaptation measures.

The Kyoto Protocol process of setting targets is done on a scientific basis. For the first commitment period of emission reductions, a global aggregate reduction target of 5.2 per cent was set over the five years 2008-2012, compared with the base year 1990. Country specific, legally binding targets were negotiated and agreed for the developed countries and the EU.

Developing nations were not subjected to legally binding targets, but did make commitments to take other measures conditional on receipt of the financial and technological assistance from developed countries.

The developed nations have not delivered their promised assistance.

The rich nations are refusing to set targets on a scientific basis for what should be a second period of commitments beginning in 2013. They are insisting on “post-Kyoto” market mechanisms as if the Protocol expires in 2012. It does not.

The developed countries want to replace a legally binding regime of negotiated commitments and reviews with a voluntary system of non-binding pledges to be achieved through market mechanisms.

They refused to negotiate a global aggregate target for emission reductions, let alone negotiate individual national targets unless the developing countries agreed to begin reductions. It will be left to the developing countries to achieve their 2°C target.

The combined reductions pledged by China, Brazil, India and South Africa for the period 2013-2020 are larger than those proposed by the seven biggest developed countries – the US, Europe, Japan, Canada, Australia, New Zealand and Russia.

China's total emission reductions could be almost double those of the US by 2020.

The combined, voluntary (no negotiations) pledges of developing and developed countries would set the world on the path of a catastrophic temperature increase of between 2.5°C and 5°C.

Australian Government response

At present the Australian Government's stated target is 2°C. Their voices are drowning in the oceans that will swallow them up if the Kyoto Protocol is abandoned.

The Australian Government is playing a leading role in sabotaging the Kyoto Protocol and pushing for market-based "solutions" internationally and at home.

The Australian Government must be forced to adopt the 1.5°C target and take real steps to achieve it.

Polluting corporations are working with the government to avoid regulations that may affect their profits and challenge the fundamentals of the economic system that created the environmental crisis in the first place.

They argue that environmental problems are technical problems that can be “efficiently” dealt with through market-based economic “solutions”.

“This market fundamentalism diverts attention away from the root causes of the problem, encouraging us to imagine a world with price tags on rivers, forests, biodiversity and communities’ territories, all in the name of ‘dealing with the climate crisis’.”
(*Hoodwinked in the Hothouse* by Rising Tide North America and Carbon Trade Watch)

Tony Abbott backs polluters

The approach of planning, regulation, legislation and penalties is entirely different to the Liberal Party ‘direct action’ policy of handing over billions of taxpayer dollars directly to the corporate polluters.

Opposition leader Tony Abbott’s policy is to make the people pay for all clean-up and transition costs, while the big polluters hang on to their profits.

Clearly neither Labor nor Liberals are interested in compelling the transnational corporations and big polluters to clean up their act by regulation and threat of penalty because this is seen as an unacceptable restriction on the market and on capitalism itself.

Carbon tax

The Australian Government suggests that increasing the price of using fossil fuels will create incentives to develop and use technologies that reduce carbon emissions.

Costs of production will increase and this will provide the incentive for producers engaged in energy-intensive activities to consider adopting ways of reducing emissions.

Taxing carbon, it is suggested, will make individuals take into account the price of using fossil fuels in their personal decisions.

The argument goes that market prices will increase and because goods that do not generate emissions in the course of their production will become more price competitive, community members are likely to find low-energy intensive goods more price attractive.

This, it is said, will result in a change in consumption patterns and thereby reinforce the pressure for changes in production activities.

However, companies will simply raise their prices and pass this increase on to the community who will pay more for fuel, power, and other goods.

In most cases corporations won't work to transition to renewable sources because it is quicker, easier and cheaper to accept the tax and pass the cost on to consumers.

Price has a limited impact on behaviour if alternatives are not available or affordable. Without alternative energy sources, especially without a substitute for coal, companies are going to continue to emit carbon dioxide and pay the carbon tax. The government will get a lot of tax revenue but nothing like the reduction in carbon dioxide emission that is required.

While the price of electricity will go up, many ordinary families will have more money in their pockets. They can choose to spend this on the same electricity consumption as before. They are not likely to have enough money to spare to invest in efficient equipment, solar panels and so forth so they use less energy.

Emissions trading schemes

Transnational corporations prefer emissions trading schemes (ETSs) under which they can buy the 'right' to pollute.

ETSs give companies the right to pollute through the purchase of carbon credits. Even though the government can limit the number of permits and reduce them over time, this does not necessarily mean the total amount of pollution will be reduced to

the level of the cap. The big polluters would still be able to buy carbon credits from overseas. This is little more than a racket that perpetuates underdevelopment in poorer countries and reinforces the dominance of global monopoly rule.

ETCs are a cop-out for governments not prepared to tackle the issue of greenhouse gas reduction. They are the neo-liberal takeover of the environmental agenda.

They are a “leave it to the markets” approach, but the markets have failed badly. The corporate sector will pass on the additional costs and go on polluting as before.

Emission trading schemes result not just in trading in carbon credits but also in highly speculative gambling on credit price rises and falls on derivative and futures markets, to the detriment of society and the environment.

They have been described as the neo-liberal takeover of the environmental agenda.

ETS and carbon tax mechanisms have been introduced in Europe and other countries but have done little to bring about changes in the behaviour of polluting companies.

With the failure in Europe, an ETS cannot be expected to work in Australia. However, the Gillard Government has openly stated that a carbon tax is a first step towards their preferred option of an ETS.

Under the Kyoto Protocol there is a Clean Development Mechanism (CDM) which allows a developed country to implement an emissions reduction project in developing countries. These reductions can earn carbon credits which can be bought and sold by other countries and count towards their reduction targets. They do not have to make the reductions in their own country.

Part 4 THE MARKET WILL NOT WORK

Saying that a carbon tax cannot work does not mean, of course, that no businesses will change their production processes and cut some emissions. Some may, seeing opportunities in renewable sources of energy, as capitalism has always tried to profit from new technologies.

However, the majority will pass increased costs on to the people and will grab any government compensation that is available.

Inadequate

Market mechanisms (carbon taxes and emissions trading schemes) cannot achieve emission reductions sufficient to meet even the government's pathetic five per cent target (in reality two per cent below 1990 levels), let alone the targets of 60 to 80 per cent by 2020 that many scientists advise.

Relying on marginal changes in prices to engender the changes required to meet the climate change challenge is inadequate. The uncertain and possibly irreversible consequences of the increasing concentrations of greenhouse gas emissions in the atmosphere indicate that the focus must be on large, radical reductions and not marginal changes.

Price signals will not provide the necessary impetus to drive the necessary transition from the high-carbon economy and avoid the prospect of tipping points and runaway climate change.

Taxing big polluters

The idea of taxing the big polluters is attractive. There is no doubt that they should pay for the present and future damage they are causing.

However, the Gillard Government's carbon tax will not bite. Many polluting companies will benefit from the new regime.

Under the Gillard plan, only 500 greenhouse gas polluters will be taxed. They will be charged \$23 a tonne from July 2012, rising to \$29 a tonne by 2015.

They will pass these costs on to consumers. The government recognises this in its plans to use some of the tax money to compensate the community for the increased costs people will face.

The government also plans to compensate energy-intensive, trade exposed industries. It has been estimated that at a carbon price of \$20 per tonne (\$3 below the government's planned figure), the corporate welfare will amount to almost \$3 billion.

State intervention

Just because a carbon tax involves some state intervention does not necessarily make it progressive or likely to contribute to slowing down or stopping global warming.

In fact, state intervention to introduce the carbon tax is a piece of market fundamentalism which the government is using to divert attention away from the causes of the climate crisis, to protect the capitalist system and to protect profit levels.

What is needed is a different form of state intervention which will use planning, regulations, legislation and penalties to enforce a reduction in Australia's carbon emissions.

Poor will pay

A carbon tax makes fossil fuel fired energy more expensive to produce. It increases the overall price structure in order to make renewable energy more competitive.

The price hike, in whole or in part, is inevitably passed on to consumers.

Revenue from the tax may be used to compensate low income consumers, but compensation is unreliable and unlikely to keep pace with rising costs.

Revenue for corporate welfare, for the large polluters, is likely to be more reliable.

Must we act now?

Yes — but not in the way the government and corporations hope we will.

Many people think the global warming crisis is so urgent and so dangerous that something, almost anything, should be done now.

However, it would be a serious mistake to campaign for inadequate policies just because people feel that at least they are a start.

It is essential to fight for what is necessary, for policies that can really help to solve the climate crisis.. We must not grasp at straws because they seem possible. We cannot afford to go down the wrong path.

An embrace of the politically possible is an agenda which will sustain capitalist accumulation, continue expansion of economic activity, and create new opportunities for profit taking.

Part 5 A NEW APPROACH

Solving the climate crisis means changing how, how much and what humans produce and consume.

Sustainable development must be based on renewable energy sources. The sun, wind and tides can create clean, safe power that will never run out. Renewable energy means new investment, new industry and many new jobs.

Sustainable development requires policies that replace privatisation, deregulation and market mechanisms with regulation, controls on monopolies, planning and an expanded public sector.

This requires a new kind of government, one which is made up of representatives of the people, a government prepared to challenge the power of the monopolies in the interests of the people and the environment.

A planned transition from fossil fuels to sustainable energy requires public control of Australia's energy infrastructure. Public ownership, democratic control and planned development are essential.

The rights of local communities to democratically determine the sustainable use of their food, water and energy use based on sufficiency and equity must be secured.

The Zero Carbon Australia 2020 plan shows a transition to 100 per cent renewable energy in ten years in Australia is feasible. Using only commercially available technology, the plan would cost around \$37 billion a year.

If the Labor Government can spend \$45 billion on the national broadband network and \$30 billion a year on the military, it can spend \$37 billion a year to avert a potential environmental and human catastrophe.

In the past governments funded the construction of coal-fired power stations in Australia through a combination of taxation and borrowing. It could do it again for renewable energy.

It would cost \$4 billion to build four integrated solar power stations in NSW. The project would generate about 4,000 jobs in construction and about 2,000 in operation and maintenance.

Conversion to a sustainable economy based on renewable energy will bring a healthier economy as well as a healthier environment and can ensure Australia's energy security and contribute to national security, food security and employment.

Destruction of the environment is a crime which threatens the future of humanity.

The struggle for sustainable development is in essence a struggle to restrain and restrict capitalist corporations and to compel an end to environmentally damaging production processes.

It is a struggle to fulfil human needs through more creative, democratic and ecologically respectful practices. The contrast with uncontrollable capitalist growth is stark.



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