The Auckland and Brisbane blackouts

Welcoming the "electricity apocalypse"

Mike Head
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A chilling article appeared in the *Australian Financial Review* last week, literally welcoming the unprecedented electricity blackouts that are continuing to cause chaos in two of Australasia's major cities—Auckland and Brisbane.

The author, an energy privatisation consultant, welcomes "the end of civilisation as we know it." She says it will drive businesses and wealthy property owners to install their own private electricity, gas, water and sewerage services.

Laurel Fox-Allen gloats over the protracted breakdowns that have cut power to shops, offices, factories, homes, schools, universities, hospitals, water and sewerage systems and telecommunications services in both cities.

In Auckland, New Zealand's financial centre, the failure of four underground electricity distribution cables suddenly blacked out the city's downtown business district on February 20. Mercury Energy, the semi-privatised government corporation responsible for the power network, now says power will not be restored until at least March 9 because of repair delays.

About 6,000 residents have had to leave, restaurants and small businesses have shut their doors and Auckland University's 30,000 staff and students have been told to stay home until further notice.

Fox-Allen proclaims the disaster as an "apocalypse," describing its impact with relish: "The entire central business district of New Zealand's largest city was evacuated due to fire hazards, and failures of sewerage, lifts, security, Eftpos (electronic banking). The city closed. Lawyers prepared class actions on behalf of restaurants, shops and businesses. Refugees were turned out of high-rise homes and offices."

Almost simultaneously, in Brisbane (and across the entire Australian state of Queensland), generator breakdowns at four major coal-power stations caused rotating electricity blackouts of one to two hours. Raw sewage spilled into drains and rivers, cars crashed as traffic lights stopped, and shops, offices and schools were thrown into turmoil.

On both sides of the Tasman Sea, hot weather exposed the rot and deterioration caused by a decade or so of government cost-cutting, job-shedding and short-term profit-gouging. The transformation of electricity supply authorities into privatised or "corporatised" companies has stripped them of elementary maintenance, repair and back-up capacities.

For Fox-Allen, the publisher of several energy and water supply newsletters, the disastrous outcome of this process is laudable and even edifying:

"The citizens of Queensland and Auckland discovered that today's city-State is a complex, networked machine—one part fails, a cascade of failures follow; turn off the energy and you lose sewerage, Eftpos, internet, food, and communications. Turn off pumped sewerage, air-conditioning and light, internet, TV, and fax in a high-rise building and discover a Dickensian slum—with citizens walking up and down 30 floors to forage for sustenance in a city without refrigeration, hot dinners and cool drinks, or vegetable gardens."

In her description, one gets a glimpse of the sort of barbarism that capitalism will create for entire sectors of the population in the coming period.

In her enthusiasm for these conditions, Fox-Allen is speaking on behalf of a growing industry that seeks to profit from the run-down, decay and collapse of public infrastructure, either by privatising existing essential services—even water and sewerage—or installing private services for the corporate and social elites that can afford to pay for them.

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"This apocalypse will drive a shift to renewable stand-alone energy and sewerage systems as business seeks to reduce risk by separating from electricity, water and sewerage grid systems," she writes. "The technology exists for grid-independence, but an apocalypse, or an avalanche of motivation, is required. For example, the Carlton Hotel in Auckland spent $500,000 this week to buy an emergency generator."

In Sydney, homeowners are already being offered packages, costing $30,000 or more, to install solar power and sewerage recycling plants.

Under the scenario outlined by Fox-Allen, those with the cash to buy their own plants—businesses, property developers and wealthy homeowners—will be able to protect themselves from retrogression into squalor. Those without such resources, however, the vast majority of the population, will have no reliable access to even the most elemental requirements of modern life—electricity, clean water and sewerage.

This is a not far-distant prospect. Over the past decade, Labor and conservative governments alike in Australia and New Zealand have established new "competitive markets" for electricity and other services. Corporate and individual owners of electricity and water treatment plants are now permitted, and have already begun, to sell their private surpluses back to what remains of the national or statewide networks at inflated prices to meet peak demands.

All basic services will soon be privately owned. According to a recent survey, published in the same newspaper, companies and finance houses have recently made, or are currently considering, investments worth $26 billion in 130 Australian-based privatisation projects that include gas pipelines, power generation, railways, telecommunications, roads, ports and harbours and airports. The list includes the Horizon Energy, Yallourn Energy and United Energy consortiums in the state of Victoria and the South Australian Water Treatment project. Even greater sums, a total of $43 billion, have been set aside by Australian-based firms for overseas projects.

Increasingly, society worldwide will be divided along naked class lines. Luxury enclaves and corporate compounds, where services are privately-provided, will be surrounded by vast impoverished areas without services, or whose residents will be forced to pay exhorbitant prices for them. Capitalism is no longer capable of providing universal access to even the most essential services. Instead the very notion of social facilities is being repudiated to meet corporate demands for higher profits and lower taxes.

There is only one alternative to this prospect. It is the total reorganisation of economic and social life by the working people on the fundamental socialist principle that the needs of the majority must take precedence over the profit requirements of a minority. Then the astonishing advances being made in technology—including power generating and water purifying—could be harnessed to provide reliable, low-cost, high-quality services to all.

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