

Australia: Rudd government rejects emission targets in official climate change report

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Prime Minister Kevin Rudd has dismissed key sections of an interim climate change report released last month by Professor Ross Garnaut, in particular the assessment that Australian carbon emissions may need to be cut by 90 percent or more. The response highlights the Rudd government's hypocrisy on global warming, which was a major feature of Labor's campaign in last November's federal election.

The government insisted that its existing goal of reducing emissions by 60 percent of their 2000 level by 2050 remains unaltered. Both Rudd and Climate Change Minister Penny Wong stressed that any change in Labor's policy would reflect recommendations from the Treasury, which will release its own report on the economic consequences of climate change in June. The message was clear—climate change policies will continue to be based not on an objective assessment of environmental needs, but rather on what is conducive to the interests of big business.

With the release of the interim report, the government attempted to downplay the Garnaut review's significance. "You don't contract out decisions as significant to the Australian environment, community, and economy to a single individual," Wong declared.

This public downgrading of the Garnaut study stands in stark contrast to the fanfare with which Labor announced its formation in July 2007. Modelled on the Stern Review, which the British government commissioned in 2006, Professor Garnaut's study was to assess the potential impact of climate change on Australia and weigh up the costs and benefits of the different proposals regarding future greenhouse gas emission targets. Rudd, then leader of the opposition, boasted that the investigation demonstrated his determination to tackle climate change.

The importance of the Garnaut study was again emphasised last December during the UN-sponsored climate change summit held in Bali. Prime Minister Rudd lined up alongside the Bush administration to reject demands for the establishment of a 25-40 percent emissions reduction target for the year 2020, insisting that his government could not consider such a target until the completion of the Garnaut review. Garnaut's final report is due in September.

The government's response to the interim report is indicative of its broader orientation on climate change. Before coming to office, the Labor Party postured as a progressive alternative on the environment, against the hard-line approach of the former Howard government. Rudd's central appeal, however, was directed to sections of big business which felt that the Liberals had protected the immediate interests of the fossil fuel industry while neglecting to exploit the enormous opportunities emerging in the burgeoning "climate change industry" centring on carbon trading and "offsetting". Labor's first act in office was the ratification of the Kyoto Protocol, a step that did nothing to reduce national emissions but which opened up the \$US40 billion European carbon trading market to Australian corporations.

The Garnaut review is mainly directed toward finalising domestic arrangements for a national carbon trading scheme due to commence in 2010. In the interim report, Garnaut, an economic advisor to the Hawke

government in the 1980s, described carbon trading as "the centre-piece of a domestic mitigation strategy", and declared that the "introduction of a price on emissions is the primary instrument for securing the environmental objective".

International experience, particularly with the European emissions trading scheme, has demonstrated that carbon trading does nothing to significantly reduce emissions. Such schemes do, however, open up lucrative opportunities for major polluters and financial operators, with the commodification of greenhouse gas emissions creating new fields for speculation and investment. Garnaut emphasised the benefits of Australia becoming a hub for a regional carbon trading market, which is to first involve New Zealand, Papua New Guinea, and Indonesia, and then potentially expand to include Asia's major economies such as China and India.

The interim report left no doubt who would pay for the establishment of an Australian carbon market. "The cost of these [carbon] permits [issued to businesses], their economic incidence, will mostly be passed through to consumers in the form of higher electricity and other energy prices ... these price rises will disproportionately affect low income households, for whom the affected products make up a larger portion of expenditure". Any corporations that are affected, Garnaut explained at length, should receive "counterbalancing payments on a timely basis" to ensure that any "effects on profitability [are] counterbalanced when they exceed some threshold".

In other words, the major corporate polluters will be fully compensated while ordinary working people will have their living conditions further eroded.

Carbon targets assessed

Rudd has reserved the right to selectively implement Garnaut's findings. While recommendations on the implementation of the carbon trading scheme are likely to be adopted wholesale, the interim report's release revealed a degree of discord over final emissions targets.

Garnaut's assessment reflects a reasonably objective overview of the latest scientific evidence on climate change and the possible consequences of different emissions targets. The interim report noted that the rate of global warming—and the increase in atmospheric carbon dioxide concentration which causes such warming—is significantly higher than was reported in the UN Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report released last year.

World economic growth, particularly driven by China, has seen total carbon dioxide emissions increase by 3.1 percent annually between 2000 and 2006, compared to 1.1 percent growth in the 1990s. Last year the IPCC analysed four alternative warming scenarios by projecting different emission levels into the future. The current emissions rate, however, is even higher than the IPCC's "worst case scenario" calculation. "These growth trajectories bring forward in time the critical points for high risks of dangerous climate change," the Garnaut interim report concluded. "Time is running out."

Garnaut inadvertently exposed both the gross inadequacy and the absence of any scientific basis for Labor's target of a 60 percent national emissions cut by 2050. Moreover, insofar as the interim report attempted to assess the upper limit on global emissions, it pointed to the impossibility of resolving the climate change crisis within the framework of the world capitalist order.

To understand this, it is necessary to briefly review aspects of the climate science relating to atmospheric carbon concentration and world temperatures.

The atmospheric concentration of carbon dioxide has risen from the pre-industrial level of 280 parts per million (ppm) to 379 ppm in 2005. The average world temperature has risen by about 0.8°C in the last century. The UN and European Union, heeding the advice of climate scientists, have set an objective of limiting the average world temperature increase to 2 degrees Celsius above pre-industrial levels. This level is believed to represent the upper threshold of potentially tolerable warming, beyond which there is a serious risk of triggering severe and irreversible climate change.

Scientists do not know with certainty exactly what atmospheric carbon concentration will trigger warming exceeding 2 degrees.

James Hansen, head of the NASA Goddard Institute for Space Studies and adjunct professor at Columbia University's Department of Earth and Environmental Sciences, announced last December that he believed the scientific evidence indicates that the "safe upper limit" was between 300 and 350 ppm. This would mean that the limit has already been surpassed and the goal must be to drastically reduce both existing and future carbon emissions.

Hansen's revised target reflect growing concerns within the scientific community that previous proposals on world atmospheric carbon concentration targets—which typically involved 450 to 550 ppm—may have to be significantly lowered. Some climate scientists are now warning that what is required is an immediate transition to a world economy with "net zero" carbon emissions—that is, emissions not greater than those able to be absorbed by the environment through natural processes. There are indications that this transition may need to be completed before 2050. A March 10 article in the *Washington Post* drew attention to two separate scientific studies published in the journals *Geophysical Research Letters* and *Global Biogeochemical Cycles* which suggested that a solution would "require the world to cease carbon emissions altogether within a matter of decades".

Despite this alarming new evidence, most discussion by world governments and the UN remains centred on a world target of either 450 or 550 ppm atmospheric carbon concentration. Garnaut cited climatologist Malte Meinshausen of the Potsdam Institute for Climate Impact Research in Germany, who found that stabilising "carbon dioxide equivalent" at 450 ppm of atmosphere would give about a 50 percent chance of not exceeding a 2 degree rise. (Carbon dioxide equivalent combines actual carbon dioxide with the equivalent warming effect of other greenhouse gases such as methane. The figure of 450 ppm carbon dioxide equivalent equates to about 420 ppm of carbon dioxide alone.) Stabilisation at 550 ppm would leave a 50 percent chance that temperatures will increase by 3°C or more. Meinshausen concluded that carbon concentrations should be stabilised at 400 ppm or below to ensure a relatively low risk of breaching the 2°C mark.

The Garnaut interim report indicated that Australia's climate change policy should be based on a global target of 450 ppm. Combining this figure with a complex "contract and converge" model, which involves advanced capitalist and developing countries moving toward equivalent per capita carbon emission rates, Garnaut concluded that Australian emissions may need to be cut by 90 percent by 2050. If the target were to be 550 ppm, the Australian cut would have to be around 70 percent by 2050.

Once one cuts through the complexity of all these figures, the significance of the interim report's calculations are clear. Garnaut's proposed 90 percent reduction—which Rudd immediately dismissed in favour of his original 60 percent—is extrapolated from a global target that only offers a 50-50 chance of avoiding the potentially catastrophic 2°C increase. In other words, the most ambitious target being proposed within Australian ruling circles accepts that the final outcome for the world's environment rests on a global game of Russian roulette.

The Garnaut interim report noted that "only urgent, large, and effective global policy changes leaves any hope of holding atmospheric concentrations at the 450 ppm or even the 550 ppm levels". The 450 ppm target, which Garnaut described as "effective ambitious global mitigation", would require "dramatic and immediate changes in global emissions" involving world emissions peaking at 2010, falling to 2000 levels after 2020, and then to less than half of 2000 levels by 2050 and less than a quarter by 2100.

The interim report never considered the possibility of setting a 350 ppm target. Garnaut summarily dismissed a proposed target of 400 ppm after concluding that "the prospects of achieving the global mitigation effort that would be necessary to achieve this outcome appear to be remote in early 2008 ... [p]eaking of global emissions in the near future, followed by very rapid falls, is clearly not feasible."

This immediately raises the question—feasible for whom? To move toward net zero emissions and stabilise atmospheric carbon levels at 350 or 400 ppm requires nothing less than the complete reorganisation of the world economy, including the restructuring of energy generation and distribution, urban planning and public transport, industrial production method, and a host of other areas. Such a reorganisation is only conceivable on the basis of a democratically planned world economy run on the basis of satisfying the long-term social needs of the population. These needs, including a stable environment, are fundamentally incompatible with the profit system, based as it is on the division of the world into rival nation states and the private ownership of the means of production.

Big business can accept long-term emissions targets such as Rudd's 60 percent by 2050 because they do not pose a threat to existing corporate interests. Modest cuts can be made by taking advantage of energy efficiencies and by adding new technologies to existing productive techniques. Engineering a rapid transition to a non-fossil fuel based economy, on the other hand, immediately comes into conflict with the entrenched private interests in industries such as coal and oil. Moreover, as the experience of the Kyoto Protocol and its yet-to-be determined successor agreement demonstrates, national governments are organically incapable of leaving aside their narrow economic interests and devising a rational and equitable plan in the interests of the ongoing viability of the Earth's eco-system.

Having correctly recognised that the measures which may prove necessary to adequately address climate change are "clearly not feasible" under capitalism, Garnaut proposes nationally-based, piecemeal, market mechanisms such as carbon trading, regardless of the potentially disastrous environmental consequences. However, the escalating crisis—which threatens the lives of billions of people through rising sea levels, drought, famine, and climate-sensitive diseases—will pose ever more sharply the need for a solution. The absence of any such solution within the framework of the profit system only serves to underscore the historically retrograde character of the existing social and political order.



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