Forum on 'The Future we must plan for'

Friday 4 December, 1.30pm-5.00pm Amora Hotel Riverwalk Hotel, Melbourne

'Where to from here? The politics of change' Professor Robyn Eckersley University of Melbourne <u>r.eckersley@unimelb.edu.au</u>

Introduction: looking in the rear-view mirror

This forum is about planning for the future in the not yet officially declared epoch of the Anthropocene whereby humans have become a dominant force in shaping Earth Systems. We have heard the scientific view of the scale of the challenge, but how we navigate the Anthropocene will ultimately depend on the politics.

The political problem we must confront in Australia is that our national government is looking backwards, even though the past is no longer a reliable guide to the future. Insofar as the government it has a plan for the future, it is about keeping the fossil fuel industry going against all the odds. We see this in the gas-led COVID recovery plan, and the desperate attempt to keep the Liddell coal-fired plant in NSW going, even at taxpayer's expense and contrary to the advice of a taskforce to assess the impact of closure.¹ According to a new report by the Climate Council, growing emissions associated with gas production are now undermining the gains we have made with growth in renewable energy.²

Australia has the dubious distinction of being ranked in the bottom five of the 61 countries examined in the most recent Climate Change Performance Index 2020.³ The only cold comfort is that we came out ahead of the US under the Trump administration, which came last. This poor ranking is hardly surprising given that Australia has:

- a very weak 2030 emission reduction target of minus 26-28% below 2005 levels by 2030
- no credible national climate or energy policy; the emissions reduction fund is an irrational abatement strategy because it is too costly to ramp up
- no post-2020 renewable energy target
- the cancellation of any future contributions to the Green Climate Fund (GCF), the primary mechanism under the climate regime to assist developing countries with mitigation and adaptation (this happened in 2018 when Scott Morrision was Treasurer)

One might have expected that the unprecedented fires of 2019-2020 would have made it palpably clear that the threatening new climate-changed future has already arrived, and it is

¹ <u>https://www.theguardian.com/australia-news/2020/sep/16/advice-to-government-contradicts-coalition-claim-over-liddell-coal-plant-closure</u>

²<u>https://protectau.mimecast.com/s/2x77CXLKNwFX3Xo4XUrfwIp?domain=theconversation.cmail20.com</u> ³ https://www.climate-change-performance-index.org/

time for the government to face-up to the problem of mitigation and not just adaptation. The Royal Commission into National Natural Disaster Arrangements, which reported in October 2020,⁴ declared that Australia's climate-related natural disaster outlook is alarming. A YouGov survey conducted in January 2020 and commissioned by the Australia Institute found that 83% of those impacted by the fires agreed that they were 'a wake-up call to the world on the impacts of climate change', and 70% of those not impacted by the fires agreed.⁵

Yet, for the most part, the government has refused to join the dots. As fate would have it, Australia experienced its first COVID cases in February 2020, before all the fires were extinguished. This saw a shift in political attention from the fires to the pandemic. So, given that the fires proved not to be a major catalyst for rethinking national climate policy,⁶ then what will it take for political change to occur at the national level? More importantly, what are the changes that are needed in Australia? Is it possible to plan for the Anthropocene?⁷

In what follows I address these questions by examining some of the key structural and political obstacles to tackling the climate challenge and identify opportunities. I then turn to the more daunting political challenge of how we move from energy transitions to ecological transformation. Finally, I briefly explore how we might think about planning for the Anthropocene.

Structural obstacles to change

Democracy in Australia

Let's start with a puzzle. The Lowey Institute has been conducting surveys of Australian attitudes to climate change since 2006. The latest poll, based on 2019 data, found that 61% of those surveyed agreed that global warming is 'a serious and pressing problem' about which 'we should begin taking steps now even if this involves significant costs'. Only 10% were not sure about global warming and were not supportive of action that would involve economic costs. Just under 30% agreed global warming should be addressed by gradual, low cost steps. So why is it that government policy does not reflect majority opinion on climate change in Australia. Is our democracy broken?

All democracies are artefacts of different political constitutions, including whether they are federal or unitary systems, the structure of the legislature (bicameral or unicameral), the voting system and the configuration of political party competition. The Australian system presents the following obstacles to more ambitious climate action:

• the voting system for the lower house favours the major parties, which have failed to adapt their political platforms to confront the challenges of the Anthropocene; it is

⁴ <u>https://naturaldisaster.royalcommission.gov.au/</u>

⁵ <u>https://www.tai.org.au/content/survey-reveals-bushfires-cost-18-million-work-days-leave-5-million-sick-smoke</u>

⁶ The government has accepted most of the recommendations (in principle) of the Royal Commission into the fires, but not the recommendation to invest in a national aerial capability to fight fires.

⁷ As it happens, political change is occurring at the sub-national level, in civil society and among progressive business (discussed below).

hard for new parties to gain a foothold in the House of Representatives which determines the government.

- Climate initiatives in the House may be blocked by the Senate (eg the CPRS); however, this can cut both ways (the Senate can block anti-climate initiatives)
- Intense ideological divisions within and between the major parties over climate change have stymied progress.
- The Liberals could not govern without the Nationals, and without an agreement not to run candidates against each other in the House of Representatives; in contrast, the ALP is finding it harder to govern in its own right due to a shrinking union movement due to structural shift from Fordist to post-Fordist production and changing class structures with the rise of 'platform capitalism' and the gig economy; the flight of many middle class professionals and younger voters to the Greens has further shrunk the ALP's base; However, antagonisms between the ALP and the Greens have made it difficult for them to form their own alliance to counterbalance the Coalition
- Elections are fought and won in marginal electorates, which is why party campaigns can fly in the face of majority opinion on climate change and other issues.
- flagship New Corporation publications, like *The Australian*, have exploited the complexity of climate science by persistently sowing seeds of doubt on climate change science

Yet there are two opportunities to note here:

- Political polarization over climate change in Australia is somewhat different to other Anglosphere countries, where the polarization is largely between but not so much *within* the major parties. This opens up the possibility of a conscience vote in the House by MPs of all stripes who care about climate change, which is the hope behind Zali Staggall's new private members bill on climate change.
- Federal systems provide more political opportunity structures for climate advocates and most of the action is happening at the sub-national level; South Australia, Tasmania, Victoria and the ACT all have climate legislation that enshrines net zero targets for 2050 along with interim targets, and many states and territories are taking aggressive action on renewable energy.

Australia's carboniferous economy

Australia's export economy has always relied heavily on primary industries – first agriculture and then increasingly mining. Coal and gas are two of our top export earners. So international competitiveness has been a mantra of both major parties, leading to a narrow fixation on the upfront costs of reducing emissions rather than the costs of inaction or the co-benefits of action.

Moreover, regional communities and identities have been built around coal-mining, even though nowadays most employment is in the service sector (especially in professional, health and community services and the retail sector).

These two developments have contributed to political inertia and further entrenched 'carbon lock-in' - the persistence of carbon intensive technological systems that inhibit the development of alternative systems.

The problem is that, on current rates of global emissions, we only have a few years left before we blow the carbon budget for 1.5 degrees. A key finding of the 2020 Production Gap Report (which looks at the gap between actual and estimated fossil fuel production, and what is needed to achieve the Paris temperature targets) found that many governments are planning to produce *more than double the fossil fuels that would be consistent with a* $1.5^{\circ}C$ pathway.⁸

Australia is clearly one of the prominent guilty parties, and its stance implies one of three decisions by default:

- That the rest of the world, including poor countries, must compensate by carrying some of Australia's burden if we are to stay below 1.5-2°C.
- That the next generation of Australians will have to endure drastic, and probably impossible, rates of emission reductions after 2030 with much higher economic cost and disruption if we are to stay below 1.5-2°C; or
- That the Government has abandoned the 1.5-2°C temperature targets and accepts and is unmoved by the enormous suffering that will occur in a world that is 3°C, 4°C or hotter.

Yet there are further reasons why is the government so disinclined to restructure our carboniferous economy. One of the key findings of the research literature on socio-technological transitions is that carbon lock-in is maintained by the capture and co-optation of the state by incumbent interests.

Indeed, Australia is a textbook case. There are close ties and a revolving door between the mining industry lobbyists and national resources and energy ministers and their political advisors, which has seen Australia begin to slide down Transparency International's corruption index.⁹ Stricter regulation of political lobbying and political donations and an increase in public rather than private funding for political parties would help to address these distortions in political representation.

The socio-technological transitions management literature has also found that nurturing and building support for renewable energy is not enough to break carbon lock-in; it is also necessary to develop policy mixes that simultaneously destabilise and phase-out the unsustainable incumbent regimes since their continued presence tends to thwart the expansion of new regimes.¹⁰

⁸ <u>http://productiongap.org/</u>

⁹ <u>https://theconversation.com/revealed-the-extent-of-job-swapping-between-public-servants-and-fossil-fuel-lobbyists-88695</u> Two prominent examples are former resources ministers Ian MacFarlane (who left politics to serve as Chief Executive of the Queensland Resources Council) and Martin Ferguson (who stepped into the position of Chair of Australian Petroleum Production and Exploration Association).

¹⁰ See, for example, P. Kivimaa and F. Kern, 2016. Creative destruction or mere niche support? Innovation policy mixes for sustainability transitions. *Research Policy*, 45(1), 205–217.

As for regional communities dependent on coal, there is an obvious path forward: just transition. We have a collective responsibility to look after the communities who suffer dislocation from energy restructuring by providing retraining, compensation and new job opportunities, and the International Labour Organisation has developed clear guidelines for just transition.¹¹ We have known for decades when our coal-fired plants are due to retire, but governments have failed to anticipate and carefully manage these retirements. The delay has meant that some of these retirements should now be brought forward and no new fossil fuel developments of any kind should be approved. The Senate's report on the Retirement of Coal Fired Power Stations delivered in March 2017 also recommended a national just transition plan.¹² Establishing a new transition plan, and a dedicated transition institution to manage this process with close consultation and input form affected communities, would be a good start. Spain has a Minister and a Ministry for Ecological Transition and so should we!

From energy transition to ecological transformation?

However, the political challenge is not just to transition from away from a fossil fuel energy system to a fully renewable energy system. We need to reduce emissions in all sectors. And even if we were miraculously to solve climate change there is still 'the other ecological crisis' that includes biodiversity loss, the build-up of toxic wastes, plastics in the oceans and waterways, natural resource depletion and so on. The larger challenge, then, is how to build political support for ecologically sustainable economies and societies that protect all planetary boundaries as well as local ecosystems. If we build a fully renewable energy system that simply docks into the existing capitalist growth economy, then, other things being equal, it is likely to produce a 'rebound effect' whereby the increase in economic productivity drives increasing material consumption, emissions and waste generation in other sectors. Ultimately, what is needed is a 'great green transformation' on the scale of the great transformation described by Karl Polanyi in his examination of the profound social changes associated with the rise of the market economy in the 19th century.¹³

But here we must face another structural obstacle, identified by critical ecological theories of the state. That is, states and growth-oriented capitalist markets are mutually dependent. Firms have no incentive to internalise or avoid ecological costs in the absence of regulation and states have no incentive to regulate to the degree required to protect planetary boundaries and local ecosystems because they are dependent on investment, capital accumulation and growth to keep the state and economy afloat by providing taxation revenue and employment. This explains why some governments are willing to pursue green growth, but no government is willing to pursue degrowth, despite the fact that numerous

¹¹ https://www.ilo.org/wcmsp5/groups/public/---ed_emp/--emp_ent/documents/publication/wcms_432859.pdf

¹²<u>https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/</u> Coal_fired_power_stations/Final%20Report/c04

¹³ K. Polanyi, K., 1944 (2001) *The great transformation: the political and economic origins of our time.* Boston: Beacon Press.

studies on absolute and relative environmental decoupling make it clear that green growth is helpful but not enough to avert the ecological crisis.¹⁴

However, one thing is clear: states (including sub-national and city governments) must necessarily play an expanded role if there is to be a transition to a fully renewable energy system *and* an ecologically sustainable society. States are the only institutions with the regulatory powers, resources and financial transfer mechanisms to provide social welfare and address the injustices associated with economic restructuring by providing income support, new regional training for new industries, new regional development policies etc. They are the only institutions that can discipline markets to the degree required to protect ecosystems, workers' rights and provide a safety net and financial and other assistance when the impacts of climate change grow. So this requires more public revenue, including more progressive taxation, and greater wealth and income redistribution to enable a transformation towards an new economy that no longer relies on material-energy growth to address inequality and unemployment.

There is an ongoing debate between advocates of green growth versus degrowth or postgrowth, but in the age of COVID this is an unproductive debate. Most proposals for Green New Deals (GND) focus on green growth, which is understandable in a recession. Moreover, the ultimate ideal of a post-growth society requires significant investment in green infrastructure and this is part of the better GND programs. Rather than green growth or degrowth it would be more politically productive to focus on good quality versus bad quality growth defined in terms of the ultimate ends – quality of life, broadly understood to include all life on planet Earth.

Conclusion

We cannot design a new state or economy from the beginning; rather, we have to rebuild the ship while still at sea. Rather than develop master plans for the future, we need to think instead about how to approach the process of change. In a recent article I suggested a process of critical problem-solving by change agents (within the state, civil society or progressive business) that entails identifying the 'next best transition steps' with the greatest long-term transformational potential.¹⁵ 'Next best' means the best of the politically possible next steps. The judgment about whether the next steps will indeed prove to be the best cannot be fully known *ex ante*. The virtues of a step-wise approach is that it enables scaling up (or back) and adaptation *ex post* as a result of political and policy learning. Public participation is essential because navigating the Anthropocene requires imagination, visualisation and experimentation, and it needs many different kinds of knowledge, including Indigenous knowledge of managing the land.

¹⁴ T. Parrique et al. 2019. Decoupling Debunked: Evidence and Arguments Against Green Growth as a Sole Strategy for Sustainability. European Environmental Bureau. Available at: <u>https://eeb.org/library/decoupling-debunked/</u>

¹⁵ R. Eckersley, 'Greening States and Societies: From Transitions to Great Transformations', *Environmental Politics*, First published online 31 August 2020. <u>https://doi.org/10.1080/09644016.2020.1810890</u>

There are many critical social scientists who have argued that the Anthropocene is not a governable object because it is an abstract concept and/or that democracy is likely to be undermined by any attempt at rational global planning informed by science.

Certainly, the rise of nationalist populism (which rejects science, cosmopolitan elites along with internationalism and globalisation) has made it harder to build support at the national level for the protection of planetary boundaries. Nonetheless, we are stuck with the states, and the success of the Paris Agreement now depends on national action.

I have argued that the state (including at national and sub-national level) must play a necessary and crucial role in facilitating the energy transition and ecological transformation. While our national government lacks the motivation for this kind of change, sub-national, city and municipal governments have been much more responsive to public concern. Thanks to political mobilisation in civil society, industry and the financial sector and in many other places, we see the tide slowly turning.