

Rethinking some dominant approaches to Climate Change

By Richard Fidler

The following is a slightly edited text of a presentation to open a discussion on this topic at the Free Transit Ottawa membership meeting March 6, 2019.

Climate change is the most visible, most threatening expression of a larger, planetary ecological crisis, the result of an economic system (capitalism) with an inherent growth and profit dynamic which ensures that the exploitation of natural resources (both renewable and non-renewable) exceeds the carrying capacity of nature. You have read the almost-daily scientific reports, each more alarming than the ones before, on the scope of the crisis. I won't belabour the point.

Our approach must be informed by, and congruent with, the challenge that crisis poses to the way society must be organized if we are to halt and reverse the ecological catastrophe toward which we are now hurtling.

The Trudeau government's approach

At Paris in 2015, the prime minister pledged to limit Canada's share of increased climate warming to no more than 1.5 degrees. That translates into a 30% reduction in greenhouse gas emissions (GHGs) below 2005 levels. The First Ministers agreed to this in 2016.

The federal policy is set out in what they call the Pan-Canadian Framework on Green Growth and Climate Change. It has "four main pillars: pricing carbon pollution; complementary measures to further reduce emissions across the economy; measures to adapt to the impacts of climate change and build resilience; and actions to accelerate innovation, support clean technology, and create jobs."

Carbon pricing is the key "pillar" and it takes two forms:

1. A *carbon tax*, gradually increased over time to encourage households and industries to reduce carbon consumption. All revenues revert to the provinces, 90% going to households. A levy on large industrial polluters took effect January 1, and one on fossil fuels will begin in April, initially at \$20 a tonne, to increase to \$50 a tonne in 2022. Major exemptions are provided for strategic industries, including oil and gas, to protect "competitiveness."

In fact, carbon taxes will always be limited to ensure that Canadian businesses are not disadvantaged by competitors' prices and to avoid economic disruption that would motivate greater market intervention. But they are largely ineffective in reducing GHG emissions.

Both the UN Environment Program and the OECD have noted the inadequacy of Canada's emissions reduction targets.

2. *Carbon offset schemes*. Businesses invest in environmental projects around the world to balance their own carbon footprints. These projects are usually based in underdeveloped

countries, and are designed to reduce future emissions through introducing clean energy technologies or, for example, to offset pollution in the North through promoting reforestation in the South.

An example is “cap-and-trade.” The government sets a cap (limit) on the amount of GHG emissions various industries can emit into the atmosphere. The limit is gradually reduced over time to decrease total pollution levels.

That’s the theory. What it amounts to is issuing permits to pollute, which can be traded on carbon markets like stocks on the stock market. The market sets the price. These schemes essentially give companies (with enough money) a right to pollute, rather than forcing them to reduce pollution. The system makes pollution a commodity through credits and offsets that allow for financial corporations to profit from polluting industries.

Some provinces have adopted similar plans. Others are challenging carbon taxes in the courts. The Ford government cancelled Ontario’s cap-and-trade program along with hundreds of renewable energy projects (wind, solar, thermal) already under way.

The fundamental flaw

As James Wilt noted in the *Briarpatch* article posted to our list,¹ carbon pricing doesn’t regulate emissions, it just puts a price on them based on an arbitrary calculation, the “social cost of carbon,” that tends to ignore the “externalities” — the cumulative emissions, feedback loops, and disproportionate impacts of climate change on countries in the Global South. These are not encompassed in corporate cost-benefit analysis. For business, they are just a cost of doing business — but they are costs to be borne by society, not the corporate owners.

Wilt describes the carbon tax as “a deeply neoliberal and individualistic” approach that “often excludes or minimizes impacts on fossil fuel corporations while downloading moral and financial responsibility on households that burn fossil fuels for transportation or heating. Perhaps most concerning of all is the way it serves to create resentment for – and siphon energy from – far more ambitious climate policy that would rapidly cut emissions, guarantee jobs, and improve public services for all.”

However, Canadian authorities, far from passively relying on market mechanisms, are quite capable of aggressive action to implement their goals where these are integral to their strategic profit and growth concerns. Missing from the Pan-Canadian Framework is the other, *more important component* of the Trudeau government’s climate approach: promoting further oil and gas exploitation and export, especially through building pipeline and rail capacity. This endeavour totally conflicts with its carbon-reduction promises.

In 2018 alone, the federal government announced \$19 billion in new investments in dirty oil.² \$4.5 billion went to the purchase of the Trans Mountain pipeline. (The Parliamentary budget director says the government paid one billion too much.) The new pipeline will triple the

¹ James Wilt, “[The leftist’s case against the carbon tax.](#)”

² Gabriel Ste-Marie, “[Toute la Chambre des communes carbure au pétrole.](#)”

quantity of oil transported, at a cost to taxpayers of \$9.7 billion. Once operational, it will increase the number of supertankers in the Vancouver harbour from 40 to 600 per year. As the owner of this major pipeline, but also its regulatory authority, the government has placed itself in a huge conflict-of-interest situation.³

Bill C-69, now in the Senate, will abolish the National Energy Board (NEB), substitute the Canadian Energy Regulator and establish a separate Impact Assessment Agency with a priority to “foster sustainability.” But as the pipeline owner, Ottawa has a fiduciary obligation to maximize future oil shipments and revenues, accelerate approvals and construction, curtail protests from the public and First Nations, and even counter judicial opposition from the B.C. government.

And that’s not all. Last fall, Finance Minister Morneau announced \$2.7 billion in support for investments to encourage oil companies to invest and produce more. In January, Trudeau announced \$1.7 billion more in credit lines to the oil industry. And Alberta, frustrated by the delays in the Trans Mountain project, will lease 4,400 railway cars which it says will move up to 120,00 barrels of oil per day by rail by 2020.

Trudeau has of course come out in support of the \$40 billion LNG Canada project in northern British Columbia, the largest infrastructure project in Canadian history. LNG Canada is a carbon hog, its construction and operation being incompatible with the B.C. NDP government’s own carbon-reduction targets as well as Ottawa’s.

These investments and subsidies, in total, rule out any possibility of achieving the government’s vaunted carbon reduction goals.

And then there are costs of restoring the tar sands lands, estimated by Alberta’s oil regulator at \$260 billion.

Imagine if these amounts had instead been invested in sustainable development and renewable energies.

Since the last election, in 2015, tar sands production has increased by 24%. In November 2018 the NEB forecasted that domestic oil production will grow by 58% and natural gas production will grow by 29 percent between now and 2040. That forecast assumes the feds will implement the carbon tax as planned and that new pipelines will be built to accommodate rising production. Just days ago, the NEB gave its go-ahead to Trans Mountain for the second time, pursuant to the review dictated by the Federal Court of Appeal’s overturn of its initial approval last August.

The government itself acknowledges the failure of its approaches. In a report issued in December the federal department of Environment and Climate Change said the policies currently in place will deliver only three-quarters of the emission reductions required to meet Canada’s Paris target. But the minister Catherine McKenna maintains Canada is on track: she says she is counting on investment in public transit and the adoption of new technologies such as the electric car over the next 12 years to close the gap.

³ Paul McKay, [“SNC-Lavalin and Trans Mountain: Two sides of a counterfeit coin.”](#)

New technologies?

This is a common hope, frequently encountered on the left as well. But it's an illusion. In an article previously circulated on our list, ecosocialist Ian Angus exploded the myth that geoengineering, nuclear power, carbon storage and other techno-fixes — all of them promoted by the US socialist magazine *Jacobin* — can be viewed as solutions to climate change.⁴

By way of comparison, a recent study by Robert Gross of the Imperial College of London concludes that the average period required for the adoption of the four most recent leading electrical production technologies — nuclear, gas turbines, photovoltaic (solar) cells, and wind turbines — was 43 years. Adoption was defined as being well established but not yet dominant.⁵

Which means that if we want to avert catastrophic climate change by 2050, we are essentially reduced to using existing technologies.

Putting aside Canadian governments' commitment to expanding reliance on fossil fuel production and export, which is completely irrational in view of the scientific evidence on the source and pace of climate change, the parallel *reliance on market mechanisms* to compensate for emissions through carbon credits and technologies (not to mention nuclear) is equally deficient. The central error is the attempt to respond to the climate challenge without challenging the sacred cow of growth and competition for profit of a capitalist system that is 85% reliant on fossil fuels.

Yet the core plank of the UN Sustainable Development Goals is the belief that capitalist growth can be fundamentally “green.”

This illusion is now being challenged even in some unexpected places. Consider, for example, this article in the Fall 2018 edition of *Foreign Policy* magazine, a prestigious US publication that exists, as it proclaims, “to serve decision-makers in business, finance and government.”⁶

The author, Jason Hickel, argues that the absolute decoupling of GDP from resource use is impossible on global scale. There are physical limits to how efficiently we can use resources. Once those limits are reached, any economic growth drives resource use back up.

“Preventing that outcome will require a *whole new paradigm*. High taxes and technological innovation will help, but they're not going to be enough. The only realistic shot humanity has at averting ecological collapse is to impose hard caps on resource use.... Such caps, enforced by national governments or by international treaties, could ensure that we do not extract more from the land and the seas than the Earth can safely regenerate. We could also ditch GDP as an indicator of economic success and adopt a more balanced measure like the genuine progress indicator (GPI), which accounts for

⁴ Ian Angus, “[Memo to Jacobin: Ecomodernism is not ecosocialism.](#)”

⁵ Philippe Gauthier, “[La \(trop\) lente diffusion des technologies énergétiques.](#)”

⁶ Jason Hickel, “[Why Growth Can't be Green.](#)”

pollution and natural asset depletion. Using GPI would help us maximize socially good outcomes while minimizing ecologically bad ones.

“But there’s no escaping the obvious conclusion. Ultimately, bringing our civilization back within planetary boundaries is going to require that we liberate ourselves from our dependence on economic growth—starting with rich nations.”

He continues:

“This might sound scarier than it really is. Ending growth doesn’t mean shutting down economic activity—it simply means that next year we can’t produce and consume more than we are doing this year. It might also mean shrinking certain sectors that are particularly damaging to our ecology and that are unnecessary for human flourishing, such as advertising, commuting, and single-use products.”

Alternative approaches

This brings us to alternative strategies and approaches to climate change. Here I think we need to bear in mind three principles in articulating alternatives:

1. The *precautionary principle*: There must be no deployment of possibly dangerous technologies (e.g. geoengineering).
2. The importance of *differentiated responsibilities*: The Global North bears primary responsibility for climate crisis, and must contribute disproportionately to efforts to remediate in the Global South, the primary victims. As well, we need to incorporate “grey emissions” (resulting from production in the South for things consumed in the North) in national scenarios. Neither of these principles are present in the Paris Accord of 2015, on which Trudeau claims to base his approach. And I would add a third principle:
3. *Social justice*. Workers should not have to pay the costs of transitioning from a problem they did not create, and of which they are victims. This means no loss of jobs, income, social protection or labour rights.

In my opinion it is misleading to think that converting all existing energy sources from non-renewable to renewable sources — summed up in the slogan “100% renewable energy by (say) 2050”— will procure the energy needed to maintain existing activities, let alone more extensive ones. Eliminating use of non-renewable energy sources necessitates a complex of immense efforts; fossil fuel accounts for 85% of energy production today. Furthermore, the transition itself is a source of supplementary emissions, that must be offset if the carbon budget is not to explode. (Think of the energy required in building electric-powered vehicles to replace the existing vehicle fleet, no matter how composed.)

How are we to offset these expanded energy needs? In a productivist system any gain in efficiency is used to increase production. So we *need to reduce global energy consumption*, that

is, reduce productive and/or transport activities. This means challenging the capitalist growth imperative.

Does this mean de-growth? Some production or services should not degrow but be suppressed, ASAP: coal facilities and mines, oil extraction, weapons production, the advertising industry, glyphosate, pesticides, etc. But others should grow – such as renewable energies, organic agriculture, and essential services (education, health and culture).

Obvious measures: Here are just a few of the options (you can add many more):

- Rapidly phase out oil, gas, and coal extraction and stop subsidizing fossil fuels
- Develop a massive program of public investment in solar, wind, thermal energy
- Initiate a massive green housing program focused on energy-efficient social housing for low-income residents, and retrofit existing buildings with electric heat pumps, efficient appliances, and added insulation
- Fund public transportation, including urban, rural, and intercity options; construct a pan-Canadian network of electrified passenger and freight trains
- Employ people to clean up abandoned wells, tailings lakes, and mining waste to prepare land for return to Indigenous peoples
- Break with agribusiness, promote ecological agriculture and work with farmers to reduce agricultural emissions
- End production of useless and dangerous things (start with weapons!)
- Localize production to the maximum, fight planned obsolescence
- Redistribute wealth, refinance the public education and care sectors
- Develop new ecologically sound industries to employ workers displaced by suppression of non-renewable resource exploitation – while maintaining incomes and social benefits.

Financing – Major tax reforms, increased high marginal tax rates. And cut useless expenditures, beginning with all military not converted to a home defense militia.

Local action – Yes, but also global measures. And go beyond capitalism. Draw on indigenous *buen vivir* concepts. And build alliances, anticapitalist coalitions of workers, unemployed homemakers, farmers, indigenous communities, racialized minorities, students, youth, poor against the entrenched fossil oligarchy. Link decarbonization with opposition to capitalist austerity.

In particular industries, unions can develop plans for alternative climate-friendly approaches. A good example is the Canadian Union of Postal Workers campaign, “Delivering Community Power.” Establish postal banking, create a renewable energy postal fleet, make post offices solar-powered community hubs for digital access, provide charging stations for electric vehicles, etc. Integrate letter carrier services with support to enable the ageing and disabled to live independently.⁷

⁷ [*Delivering Community Power: Postal Service and the Post Carbon Economy.*](#)

Green New Deal – The proposal by Alexandria Ocasio-Cortez (AOC), a Democrat in the US Congress and member of Democratic Socialists of America (DSA), sets out a series of objectives that are quite radical incorporating many of the above demands, albeit within a general framework of “green capitalism.” It has attracted support in Canada. Avi Lewis, an author of the Leap Manifesto, describes it as “the Leap Manifesto, with increased altitude and velocity.”

The DSA’s Ecosocialist Working Group released a statement recently supporting the Green New Deal “while recognizing that its resolutions are conversation starters – not complete and adequate blueprints.” The Group proposes improvements such as setting firm target dates (“Decarbonize the economy fully by 2030”), democratizing control over major energy systems and resources, etc.⁸

Also, we need to center the working class in a just transition: Decommodify survival by guaranteeing living wages, healthcare, childcare, housing, food, water, energy, public transit etc. Demilitarize, decolonize and strive for a future of international solidarity and cooperation.

Ultimately, we need a different kind of government with the political will to lead, coordinate and consolidate the transition, a government based on the support of the victims of climate change, not its perpetrators.

These comments borrow heavily from many authors more informed than I am on this topic. In particular, my thanks go to those listed in the footnotes, as well as Daniel Tanuro and Michael Löwy. Unless otherwise noted, the opinions expressed are mine and do not necessarily engage Free Transit Ottawa. – Richard Fidler

⁸ [“Guiding principles for an Ecosocialist Green New Deal.”](#)