# It’s the economy, stupid: Ethics and political discourse in the Australian climate change debate

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## Abstract

*The issue of climate change has had a significant and polarising impact on the Australian political landscape in recent years and has been a pivotal issue around which the political fortunes of several of the major players in Australian politics have revolved. While Kevin Rudd’s call to arms for action on the ‘great moral challenge of a generation’ was rhetorically memorable, the major discursive focus to date has been on the need to develop policies that do not significantly impact the economic status quo. But to what extent does the continuing narrow focus on economic impacts ignore other ethical questions that lie at the heart of need for substantive, but potentially politically more difficult, responses to climate change? This paper overviews the economic frame through which climate change has been debated in Australia since 2007 and discusses some of the ethical questions which underpin this frame.*

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## Introduction

In 2007, ALP leader Kevin Rudd was able to capitalise on the prevailing zeitgeist of climate change concern. He made it a key plank in his election campaign by signaling the moral and ethical dimensions of the issue in his much quoted call to arms on climate change as ‘the great moral challenge of our generation’ (Rudd, 2007). Politically, Rudd was able to use the moral and ethical imperative as part of his arsenal to distinguish Labor from the tired, conservative government of John Howard who, in step with then US President George W. Bush, had consistently refused to ratify the Kyoto Protocol because it was not in Australia’s economic interests to do so. Since then the issue has been pivotal to much of the rancorous public debate and drama around which Australian politics, and the fortunes of several of the key political players, has revolved. As an issue, climate change in Australia, as well as internationally, has become a scene of struggle, not only politically, but ideologically.

Rudd initially flagged climate change as an ethical issue with close links to Christianity in his essay *Faith in Politics* (2006). He wrote:

> It is the fundamental ethical challenge of our age to protect the planet – in the language of the Bible, to be proper stewards of creation. … the time for global, national and local action has well and truly come. … So, is it ethical to engage in the deliberate sabotage of global co-operative efforts, under the Kyoto Protocol, to roll back global climate change? Or is it ethical instead to become an active, constructive part of the global solution? It is ethically indefensible for the current government to have spent the last decade not only refusing to ratify the Kyoto Protocol, but also actively working with the government of the US to marginalise it (Rudd, 2006).

However, while Rudd's landmark speech to the National Climate Change Summit is largely remembered for its rhetorical evocation of the moral imperative for governments to act on reducing greenhouse gas emissions, when more closely examined (e.g. Gurney, 2011), the substance of the speech predominantly focused on the economic case for action and concluded by echoing the UK Stern Review (2007) that '[c]limate change does represent significant market failure, that's where Governments then have to act' (K Rudd, 2007). Therefore, despite the relatively widely held contention that climate change was a pivotal issue in Labor's 2007 election victory, Rootes (2008) for one argues that Rudd's 'moral imperative' mantra was merely part of a strategy to reinforce the view that Howard was 'yesterday's man' by his belated and begrudging acceptance of the existence of anthropogenic climate change, and that there is only modest evidence that climate change was the decisive issue in the Labor victory. This is supported by the fact that in that election, Labor mainly focused on the impact of Howard's WorkChoices legislation, a policy with major economic implications for the electorate. While not denying Rudd's genuine commitment to the need to act on climate change for moral and ethical reasons, the political strategy to focus on economic arguments has tended to problematise and create obstacles to action, rather than create an imperative that demands it (DeCanio, 2006; Gardner, 2006). The aim of this paper is therefore to examine some of the ethical dimensions which underpin the economic discourse of the Australian climate change debate from the perspective of the assumptions upon which these arguments are based. It will use as evidence examples from media statements and speeches on climate change given by various political players including Kevin Rudd, Tony Abbott, Malcolm Turnbull and Julia Gillard as well as examples from party promotional material.

# Political roller coaster of climate change debate in Australia

The road to the development and enactment of climate change policy in Australia since 2007 has been littered with political casualties. The issue has had a role in the demise of two leaders of the federal Liberal Party in Brendan Nelson and, most significantly, Malcolm Turnbull who was dumped after a party room revolt by several high profile members unhappy at Turnbull's deal with Labor to pass Rudd's Carbon Pollution Reduction Scheme (CPRS) through the Senate. Turnbull was replaced by Liberal stalwart Tony Abbott who has held conflicting positions on the issue (see an assorted selections of quotes in B. Keane, 2011) but who is most notably on the record as stating that 'climate change is absolute crap' (Rintoul, 2009). He had however, previously supported the Turnbull position, as well as that of John Howard, for the introduction of some form of emissions trading scheme. In the Labor Party, Rudd's decision in April 2010 to shelve the ETS until 2012 was the beginning of a dramatic slide in his public popularity, leading to a situation where Rudd became the first first-term prime minister to lose the leadership of his party. In both cases, their position on climate change policy played a significant part in their political misfortunes.

Climate change policy continues to be contentious for Rudd's successor Julia Gillard who, in her first press conference after the Rudd 'coup', noted it was her intention if re-elected, to 're-prosecute the case for a carbon price at home and abroad. I will do that as global economic conditions improve and as our economy continues to strengthen' (Gillard, 2010). With the polls leading up to the election in August 2010 predicting a close outcome, and with most of the media coverage focused on Labor's management of the economy, climate change was framed once again as one of economic management with the Coalition in particular actively campaigning

against an emissions trading scheme by representing it as ‘a great big new tax on everything’ which would put up the price of electricity and impede Australia’s economic growth. In a last-minute response, Gillard attempted to reframe her position by stating in an interview that ‘I don't rule out the possibility of legislating a Carbon Pollution Reduction Scheme, a market-based mechanism, I rule out a carbon tax’ (Kelly and Shanahan, 2010). This statement continues to reverberate through the climate change debate and has wreaked significant, some say terminal, damage to Gillard’s political credibility.

The statement was strategically important at the time as Gillard appeared to be trying to appease two constituencies with different concerns – disillusioned Labor voters in danger of defecting to the Greens and who therefore needed assurance that Gillard still supported substantive action on climate change, and ‘battlers’ in marginal seats who were being spooked by the framing of the policy as a ‘tax’. While the passage of the bill in November 2011 has removed some of the heat from the debate, federal Opposition Leader Tony Abbott has ‘maintained the rage’ so to speak, equating the impact of the carbon tax with everything from interest rate rises to the problems of agricultural efficiency and water management (Liberal Party of Australia, 2012). He has pledged a ‘blood oath’ to repeal the legislation should he become prime minister, describing it as ‘the longest political suicide note in Australian history’ (Australian Broadcasting Corporation, 2011).

Politically, the impact of this framing has been significant. The attention has shifted from a focus on the environmental and ethical imperatives of climate change abatement to either emphasising or allaying fears about the economic implications of the different positions, and this seems to have been effective in shaping the national mindset (Edis, 2012). Since 2007, research indicates that not only has there been a waning in the level of belief about the anthropogenic drivers of climate change, there is a lack of clear consensus about preferred government policy, and it is the arguments over the economic efficacy of climate change policies which appear to be uppermost in the minds of Australian voters (Leviston, 2011). For example, the seventh annual Lowy Institute report published in June 2011, noted a 41% support for climate change action, even if it meant a significant cost – a substantial decline of 27 percentage points compared to the 2006 poll (Independent Australia, 2011). This is consistent with similar trends internationally (e.g. Leiserowitz, Maibach, Roser-Renouf, and Smith, 2010). The broader ethical reason for Australia to do its part as a global citizen to reduce its emissions appears to have been lost amid the arguments of so called economic rationalists. This discourse remains powerful despite the continued scientific warnings from an overwhelming majority of climate scientists publishing in high-level peer-reviewed scientific journals as well as almost all national scientific academies (for example see the latest report from the CSIRO and Australian Bureau of Meteorology, 2012).

# Framing the climate change debate

The question therefore arises as to why, despite the strength of the international scientific consensus, has it become so difficult to achieve the political bipartisanship necessary to affect change? Has the fundamental reframing of the debate in Australia as what Rudd’s former economics adviser and representative at the 2009 Copenhagen Climate Conference, Andrew Charlton, describes as ‘a broader conflict between economics and the environment’, or ‘the choice between progress and planet’ (Charlton, 2011, pp. 4-5), deflected from the moral and ethical imperatives inherent in what many researchers see as essentially an ethical question

(Brown, Lemons, and Tuana, 2006; Gardiner, 2004; Gardner, 2006; Jamieson, 1992; Toman, 2005)?

Like most complex issues, climate change policy has many dimensions and many different perspectives: environmental, scientific, cultural, diplomatic, political, economic, risk and of course ethical, to name a few. These perspectives form frames or schema through which different positions and arguments are communicated and through which audience responses are filtered and constructed (Lakoff, 2004). More specifically, according to Nisbet:

> Frames are interpretative storylines that set a specific train of thought in motion, communicating why an issue might be a problem, who or what is responsible for and what should be done about it (Nisbet, 2009, p. 15).

From Goffman's (1974) early work on frame analysis, we can see that frames act through the lens of existing cultural beliefs and worldviews. All debates are therefore framed from one perspective or another, and writers or speakers choose particular metaphors, catchphrases, visuals or allusions to historical knowledge in the process of constructing a rhetorical position, sometimes intentionally, often subconsciously, and often do so to resonate with core cultural values and ideological assumptions of the intended audience. This is not always transparent to the broader audience regardless of the information available and the critical ability to interpret it. As Nelson (2004) has argued, because political controversies by their very nature involve fundamental clashes of values, communicators, as well as those with vested interest in particular perspectives, will frame their perspectives:

> … so as to assert the special importance or priority of a specific policy goal. … This rearrangement in value priorities can subsequently affect policy opinions, even when the objective beliefs about the issue remain unaltered (T. Nelson, 2004, p. 581).

Lakoff (2008) contends that frames operate cognitively by constant repetition and reinforcement, and this is why we have difficulty shifting beyond the dominant frames which are constantly reiterated in media discourse. Dominant frames by virtue of their repetition, also act to 'naturalise' the discourse, making competing arguments more difficult to contest. He says:

> Language gets its power because it is defined relative to frames, prototypes, metaphors, narratives, images and emotions. Part of its power comes from its unconscious aspects: we are not aware of all it invokes in us, but it is there, hidden, always at work. If we hear the same language over and over, we will think more and more in terms of the frames and metaphors activated by that language. And it doesn't matter if you are negating words or questioning them, the same frames and metaphors will be activated and hence strengthened (Lakoff, 2008, p. 15).

So what are the competing frames in the climate change policy debate? According to Nisbet and Mooney's (2009, p. 18) typology, they include social progress, scientific and technical uncertainty, Pandora's box/Frankenstein's monster, conflict and strategy, morality and ethics and economic development and competitiveness. They contend that these are not mutually exclusive, and that even within any particular frame, differing positions can co-exist. For example, the economic frame is used to argue both for and against climate change action. The Stern Review (2007) for instance, argued from the perspective of costs versus benefits that:

> [t]he scientific evidence is now overwhelming: climate change presents very serious global risks, and it demands an urgent global response … The benefits of strong, early action considerably outweigh the costs (Stern, 2007, pp. 1-2 long executive summary).

Political opponents and climate skeptics often frame their opposition to policy action pragmatically to argue that actions to reduce greenhouse gas emissions should not occur at the expense of economic growth as it would hurt the vulnerable and cost jobs (the advice given to the US Republican Party by Luntz, 2003). Others (for example T. Nordhaus and Shellenberger, 2004; 2009) warn of the problem of 'apocalypse fatigue' and advocate an alternative communication strategy which recasts climate change as an opportunity for economic growth. It is this position which the Australian Labor Party has taken in the defence of its carbon tax legislation (see Gillard, 2011) and against which the Liberal/National Party Coalition has framed its opposition to the 'great big new tax on everything'. For example, in one of the few comprehensive speeches on climate change given in 2009 by Tony Abbott prior to his becoming Opposition leader, he argues it should be taken as given that 'every sensible person' will want to protect the environment, but that both acceptance of the science, and choices of policy, should be subject to 'certainty' not 'belief'. The implication throughout this speech and in later offerings, is that the ethics can be assumed and do not need to be questioned, but that we must be 'realistic' and that 'realism' is evidenced-based.

> What we can say, though, is that we should try to make as little difference as possible to the natural world. As well, prudent people take reasonable precautions against foreseeable contingencies. It's the insurance principle. The premium we are prepared to pay, though, should relate to the extent of the risk and the magnitude of the possible loss. If carbon dioxide might be contributing to harmful climate change and emissions can effectively be reduced at reasonable cost, it certainly makes sense to do so. Of course, what we shouldn't do is embark on a cure that turns out to be worse than the disease (Abbott, 2009 italics added) .

As indicated by the words in italics, Abbott's argument is framed in economic terms and the economy is something separate from, and above, the natural world upon which climate change will impact. But to what extent does the economic frame encompass the ethical ramifications of this argument?

# The ethical dimensions of climate change impacts

Renowned ethicist Peter Singer describes the domain of ethical study as:

> … also applied to any system or theory of moral values or principles. How should we live? Shall we aim at happiness or at knowledge, virtue, or the creation of beautiful objects? If we choose happiness, will it be our own or the happiness of all? And what of the more particular questions that face us: Is it right to be dishonest in a good cause? Can we justify living in opulence while elsewhere in the world people are starving? If conscripted to fight in a war we do not support, should we disobey the law? What are our obligations to the other creatures with whom we share this planet and to the generations of humans who will come after us?

Ethics deals with such questions at all levels. Its subject consists of the fundamental issues of practical decision making, and its major concerns include the nature of ultimate value and the standards by which human actions can be judged right or wrong (Singer, 1985).

Therefore, given the potential consequences of unmitigated anthropogenic climate change, ethical perspectives are central to the debate as has been argued in a growing body of literature (e.g. Brown, 2011a; Brown, Tuana, et al, 2006; Gardiner, 2004; Gardner, 2006; Posner and Weisbach, 2010; Toman, 2006). In fact Brown (2011b) maintains that it is essential to 'turn up the volume' on the ethical dimensions of the debate because the scientific and economic frames often ignore or hide these, pretending to be ethically neutral, and that this failure is one of the barriers to current policy development.

While detailed exposition of all of these arguments is not the objective of this paper, a summary of the main ethical points is as follows:

- Climate change is about more than merely 'weather'; it is about fundamental human rights as climate shapes and affects all societies and cultures. Who will decide who lives or dies and what nations or species or ecosystems survive?
- Climate affects non-human habitats and species who cannot speak for themselves.
- Climate change will 'cost' future generations who will be more severely impacted by the actions/inactions of current generations and yet are unable to transact with present day agents to ensure that their rights are fairly embedded within policy – the issue of intergenerational equity.
- Climate change raises the issue of responsibility: who should 'pay', how are costs calculated and payment apportioned? The IPCC (1996) has argued that the historical source of a large volume of emissions can be laid at the feet of developed nations who have accrued the benefits, while the 'costs' are more likely to be disproportionally borne by those poorer nations who are least able to afford them, let alone adapt to them.
- Climate change impacts invoke the religious notion of humans as 'stewards' of the environment and of 'God's gift'.
- From a secular perspective, the Earth (or 'Gaia' according to Lovelock, 2006) is a 'living entity' with value for and of itself and therefore something that we are ethically bound to protect.
- Climate change is the ultimate 'tragedy of the commons' where the actions of some exercising their 'immutable rights' to pollute or use a universal 'resource' (the atmosphere), impose costs on others by depleting that resource, in this case to the point that it may become unusable or that it changes the inherent properties or natural potential of that resource.

These are all large and inherently complex questions with which economic models such as those developed by Stern and Nordhaus struggle, yet they are central to any ethical approach to climate change abatement.

## It's the economy stupid: the 'trance of the market'

From a political strategy viewpoint as already noted, the climate change debate in Australia as elsewhere has been largely framed as an economic issue: who should pay, how much should it cost, who should be compensated, what kinds of economic or market incentives are required to stimulate action, should we act before an international agreement is developed and risk making

our economy less competitive? In Australia, the policy and political debate to date has narrowly revolved around market-based mechanisms such as emissions trading and carbon tax schemes in such a way that it reflects what Doyle (2010) describes as a 'market trance'. He argues this has been a deliberate strategic move by both activist organisations broadly, and social democratic political parties in particular, to gain public 'legitimacy' by appropriating the discourse of the market and to distance themselves from the 'anti-economy' perceptions associated with the Greens. Rudd's fateful decision to negotiate a deal with the conservative opposition rather than with the Greens to pass his CPRS, is evidence of this strategic mindset.

But why is this so? In the Australian political context especially since the 1980s, but exacerbated since the 2008 Global Financial Crisis, political success has become equated with economic management (Lowe, 2010) and economic growth has become an immutable symbol of a nation's identity and self-esteem. According to Clive Hamilton (2010):

> Economic growth has become… the mark of vitality, the bearer of dynamism, the symbol of life itself. It is what vivifies a nation, gives reality to dreams of prosperity and confers cultural superiority. … Growth is the vehicle that delivers nations and peoples from backwardness into modernity. A nation whose economy is not growing is seen to be a moribund nation, a 'basket case'. …[In the 21st century] growth provides the raw material from which we construct our sense of who we are … (pp. 64–65).

The modern media fixation on the various indices of economic activity or economic health – GDP, the current account deficit, retail sales figures, monthly RBA interest rate deliberations, national credit ratings, not to mention the hourly updates on the All Ordinaries index and the ASX – is testimony to this view. Economic perspectives have become the natural starting point for deliberation of most policy options from education to health to the environment. We have 'internalised' the discourse as Foucault (1972) would argue, to such an extent that 'we begin to articulate the interests of the system and govern ourselves according to its rules' (C. Hamilton, 2010, p. 49). The frame of society as a marketplace and of individuals as consumers, has meant it has become increasingly difficult to initiate mass community action based on shared belief systems rather than on individual needs and wants (Doyle, 2010). The incumbent neo-liberal economic paradigm has acted to stress the power of individualism to drive 'progress' when what is required to conceptualise the issue as an ethical one, is a broader collective focus: a macro versus a micro focus. The 'great big new tax' descriptor is seen as easier to communicate and comprehend than the 'clean energy future'. According to one commentator, we have become 'Homer Simpsonised in our thinking. "Tax – mmm, all tax is bad – therefore I am against a carbon tax"' (Roller, 2011).

The primacy of economic perspectives to governments in garnering support for climate change abatement policies is symbolised by the fact that in both the UK and in Australia, Tony Blair and Kevin Rudd commissioned economists in Sir Nicholas Stern, former chief economist of the World Bank and Ross Garnaut, economist and former Australian ambassador to China, to undertake economic analysis and modelling to counter the arguments that action to counter greenhouse gas emission would be economically ruinous. In both cases, despite some disagreements about methodology (Ackerman, 2007; W. D. Nordhaus, 2008), they concluded that the economic benefits of aiming for a 500–550 ppm reduction target of greenhouse gas abatement outweighed the costs and would reduce global GDP by a mere 1 percent by 2050. Garnaut went further, and

after weighing up the evidence in the Australian context, concluded that pursuing a similar 550 ppm target would see the destruction the Great Barrier Reef and a near doubling of species extinction and concludes that ‘it is worth paying less than an additional one percent of GDP as a premium in order to achieve a 450 [ppm] result’ (Garnaut, 2008, p. 272). He added the caveat that he did not, however, think this would be politically feasible.

However one distinctive (and controversial) feature of both the Stern Report, as well as that of the IPCC, was the acknowledgement, despite the economic orthodoxy, of the role of value judgments in their analysis, implying there are some things that are inherently unquantifiable and are therefore beyond the measurement parameters of an economic cost vs benefit analysis. The 2001 IPCC report had earlier opened by recognising:

> Natural, technical, and social sciences can provide essential information and evidence needed for decisions on what constitutes ‘dangerous anthropogenic interference with the climate system’. At the same time, such decisions are value judgments through socio-political processes, taking into account considerations such as development, equity, and sustainability, as well as uncertainties and risk (cited by Gardiner, 2004, p. 556).

It was this particular admission that most enraged economists such as Nordhaus who accused Stern in particular of abandoning traditional economic thinking and of writing a ‘political document’ (Hamilton, 2010, p. 57). The underlying assumption is that as a ‘science’, economics is value-neutral or an ‘ethics-free zone’ (Nelson, 2008, p. 442). The inherent qualities of the all-powerful market as a ‘spontaneous order’, an intrinsic organising mechanism operating on ‘natural’ properties and truths where individual self-interest is given free rein, always represents the best possibility for the advancement of social responsibility free from the interference of government. This paradigm has its roots in the neo-liberal economic theories of Frederick von Hayek and Milton Friedman, and has become the economic orthodoxy since it was embraced by the likes of US President Ronald Reagan and UK Prime Minister Margaret Thatcher in the 1980s. Both embarked on wholesale programs to minimise the role of the state in areas such as health, education and employment in order to maximise the available space for private markets.

The onset of the Global Financial Crisis in 2008, however, has exposed the flaws in neo-liberal economics. Kevin Rudd for example, argued:

> The time has come, off the back of the current crisis, to proclaim that the great neo-liberal experiment of the past 30 years has failed, that the emperor has no clothes. Neo-liberalism, and the free-market fundamentalism it has produced, has been revealed as little more than personal greed dressed up as an economic philosophy. And, ironically, it now falls to social democracy to prevent liberal capitalism from cannabalising itself (Rudd, 2009, p. 25).

Others (e.g. Hamilton, 2010; Manne, 2009; Stilwell, 2012) note the pretence that the market is inherently ‘natural’ and that economic judgments are free of political or ideological connections, has served to empower what Hamilton describes as ‘the intellectual imperialism of mainstream economics’ (2010, p. 59). As a consequence, a mindset has been created where the focus on the welfare of individuals as ‘consumers’ has weakened the power of sovereign governments to speak about, let along act on, climate change in any way which challenges the prevailing powerful neo-liberal narrative, or which acts contrary to the interests of powerful market players such as mining companies. Even pro-environmental political parties such as the Australian

Greens, feel the need to reassure the electorate that they are not 'anti-economy' as evidenced by one of the first statements made by new Greens leader Christine Milne after the resignation of long-time leader Bob Brown (Hawley, 2012).

The difficulty is that greenhouse gas emissions and notions of economic progress are built around increasing levels of material consumption and are therefore closely entwined. It is therefore no wonder that this frame is so powerful. While in Australia, in particular, most people are relatively affluent, we believe we are 'battling', requiring the government to frame its marketing of the carbon tax from the viewpoint of 'What a carbon price means for you?' (Department of Climate Change and Energy Efficiency, 2011), the title of the document distributed to all households in Australia. The aim of the booklet was to dispel fears, constantly reiterated in the Opposition's political rhetoric, that individual households will bear the brunt of the policy to reduce emissions. The introduction to the booklet for example, reads:

> Some of the costs paid by big polluters will be passed through to the prices of the goods you buy. That is why over half of the money raised from the carbon price will be used to fund tax cuts, pension increases and higher family payments. The remaining money will be invested to support jobs and help to build Australia's clean energy future (Department of Climate Change and Energy Efficiency, 2011, p. 3).

The table of contents covers 14 sub sections, all but two of them framed around questions of how individuals will be economically buffered by the government. Some of these include: 'What does the carbon price package mean for me and my family?'; 'Millions of households will be better off'; 'How much will I get?'; 'Tax cuts and increased payments for families'; and so on. This strategy would appear to be based around market research which indicates the level at which the public concern over the impacts of the carbon tax legislation resides (for an example see Collerton, 2011).

This frame is also echoed in the Prime Minister's defence of the carbon tax outlined in a speech in July 2011 prior to the legislation being placed before Parliament. In that speech, (for a more detailed analysis see Gurney, 2011), Gillard frames the carbon tax in the tradition of great Labor reforms of Hawke and Keating:

> The carbon price is our dollar float. A vital economic reform which will build our clean energy future. … (Gillard, 2011).

At no stage is the question of whether the 'future' about which she speaks is considered other than in terms of continued levels of economic growth, and whether what Hamilton (2010) labels 'growth fetishism', is unethical in terms of its contribution to climate change. The need for sustained levels of growth, it seems, is unquestioned and assumed to be the answer. While Gillard talks about the future, it is a narrowly focused and parochial future, not one that reflects Australia's broader international ethical obligations.

This approach has been reinforced by the findings and methodology of the influential Stern Review which has entrenched and legitimised the view that climate change action, and existing levels of economic growth, are compatible. This has been variously contested with UK economist Tim Jackson (2009, p. 5) noting that 'the concept of economic prosperity – and the elision of rising prosperity with economic growth – is a modern construction … that has already come under considerable criticism.' This is particularly pertinent when we live on a planet with finite

resources. Further, Helm (2008) questions whether this is central to the problem of the failure of international consensus and agreements, but notes the reality is less comforting for politicians. With respect to the failure of Kyoto, he wonders:

> A second possibility is that the Stern Report analysis is flawed, that the costs are much higher than estimated, and that the political economy of climate change policy is much more constraining. On this view, the easy compatibility between economic growth and climate change, which lies at the heart of the Stern Review, is an illusion. And, given higher costs and serious threats to economic growth, the fact that politicians have founded their arguments to the public on the basis of low costs is counterproductive (Helm, 2008, p. 213).

The Liberal/National Party Opposition in response to the Labor legislation has put forward its own 'direct action plan' which it claims is based on the belief that:

> … with appropriate support and incentives, committed individuals, communities, organisations and companies can help address these great environmental challenges (Liberal Party of Australia, 2010, p. 2).

The criticisms of this 'claytons' policy have been numerous, including from former leader Malcolm Turnbull who, 'with only a little encouragement' (B Keane, 2011), observed the policy would become very expensive in years to come, but its major strength was that it could be easily reversed, thus casting doubt on the Coalition's real motives. Responding to Tony Jones's description of Liberal Policy as a 'scheme which is actually built to cater for skeptics', Turnbull responded:

> Now I think those are arguments that some of the supporters of the scheme take, but it obviously – if you want to have a long-term solution to abating carbon emissions and to achieve – if you want to have a long-term technique of cutting carbon emissions, you know, in a very substantial way to the levels that the scientists are telling us we need to do by mid-century to avoid dangerous climate change, then a direct action policy where the Government – where industry was able to freely pollute, if you like, and the Government was just spending more and more taxpayers' money to offset it, that would become a very expensive charge on the budget in the years ahead (Jones, 2011).

Other observations (e.g. Eltham, 2011) conclude the Coalition will be using taxpayers' money to pay polluters not to pollute, something which seems antithetical to its philosophy and to its oft repeated criticism that the Labor government is profligate with taxpayers' money. In two examples of many, Abbott writes in an opinion article titled 'PM just adding crippling costs':

> What's the point of a carbon tax if it doesn't make it harder for people to turn on their air conditioners or to drive their cars? … If a carbon tax does not reduce the use of fossil fuels, it's just another tax, not an environmental measure at all. Given people's propensity to use their air conditioners or to drive their cars, if a carbon tax is to reduce electricity use and car use it will have to raise the price of daily life very considerably (Abbott, 2011b).

In a later address to the Menzies Research Centre Taxation Roundtable, he says:

> The carbon tax is just another example of the current government's anti-growth mindset … With large parts of the world facing the prospect of years of stagnation even if a new global slump is avoided, a go-it-alone carbon tax that discourages economic activity and puts our manufacturers at a growing competitive disadvantage is the last thing Australia needs (Abbott, 2011a).

Again, even a relatively minor impost on economic growth Abbott believes cannot be justified in terms of our economic imperatives. Abbott's arguments in particular, and the framing of the Coalition's policy in general, are also indicative of the extent to which climate change is seen as an individual and parochial problem rather than as a systemic and international one.

It would seem, however, that Tony Abbott has been spectacularly successful in dictating the terms of the debate as one of tax rather than environment. With the impending introduction of the carbon tax in July 2012, recent government advertising around the introduction of the compensation package fails to mention the carbon tax at all, instead framing the payments as 'household assistance' (Packham, 2012; Wroe, 2012). The impact on public perceptions, as Voronoff (2012) and Spratt (2012) have argued, is that the rationale for climate change policy has been 'bright-sided'– that is framed as 'good news' rather than 'bad news' – and that this strategy not only fails to engage the community in the imperative for action, but that it allows general anti-government resentments to fester uncontested.

> The risk we face with the present suite of messages is that without stating the problem – namely the severity of the threat and our susceptibility to it – there is no argument for change. Without stating the threat, the public mind is lead to question, why a tax for innovation and jobs when the mining industry makes jobs anyway? Imagine the anti-smoking advertisement that fails to mention mouth and lung cancer, telling the smoker they should give up a pleasurable habit of ten years because, well, they're certain to feel better. The evidence shows this appeal just doesn't work (Voronoff, 2012).

## Economics: a value-free zone?

As an ethical conundrum, climate change has many perspectives as Hulme (2009) has comprehensively detailed, and policy considerations based purely on economics not only make unjustified claims about the 'objectivity' of economic analysis, but also disregard climate's intrinsic social meanings which, as previously outlined, pose fundamental ethical questions. This mindset has been compounded by the elevation in recent years of economics to 'scientific' status (DeCanio, 2006) – that is, a belief that economic indices can be seen as a measure of 'immutable laws of behaviour'. Metrics such as cost-benefit modelling have become the 'ultimate arbiter' of a range of government policy considerations including those related to climate, and this frame takes for granted or disregards the ethical implications or assumptions upon which these formulae are based (that is, 'least common denominator utilitarianism' or LCDU).

This is further complicated by the problems of calculating the 'worth' of 'public goods' such as climate, the utility of which will ultimately be compromised by the long-term effects of greenhouse gas emissions. As an 'externality' in the calculation of utility, the 'costs' of carbon emissions do not include the impact on other people in the 'price' (Posner and Weisbach, 2010, p. 43), and the framing of the Earth's climate system 'as a type of capital, like office buildings or industrial machinery' (C. Hamilton, 2010, p. 60), not only misrepresents its importance, but is

inherently simplistic. This framing also has the effect of distracting policy makers from acknowledging and addressing the root causes of climate change, and of Western capitalism's complicity, by enabling them to ignore the systemic nature of the problem. Framing the environment and the economy therefore as a utility to be bought, sold or compensated for in terms of loss of future profits, ignores the fact that we are part of, not separate from Nature, and is not only unethical, but is ultimately futile (C Hamilton, 2009).

Many of the indices of economic modelling on the impacts of climate change themselves are by their very nature value judgments, not scientific calculations (Gardner, 2006; Jamieson, 1992; Morgan, Kandlikar, Risbey, and Dowlatabadi, 1999; J. Nelson, 2008; Neumayer, 2007; Spash, 2007; Toman, 2006). These include: the value of various tradeoffs (for example higher temperatures in traditionally colder parts of the world as a tradeoff for improved agricultural yields; the cultural value of particular habitats or species); adaptation (Lomborg, 2007; W. D. Nordhaus, 2008); social discount rates; and intergenerational equity. All are calculated as probabilities built into the mathematical algorithms. These measures also assume a level of cultural and political homogeneity which does not necessarily exist and which is based on a paternalistic Western value model. Charlton (2011) argues this was central to the inability of the 2010 Copenhagen Climate Conference to reach an international accord.

There are other ethical conundrums which particular uncontested economic markers raise. Garnaut and others for example, use Gross Domestic Product or GDP as an important rhetorical index of the extent to which carbon emission abatement will impact on Australia's economic 'well-being'. But GDP in measuring the value of goods and services produced per financial year is not a measure of individuals', or even nations', well-being, because it does not take into account the unequal distribution of income. It also assumes individual wealth equates with increased happiness and increased prosperity (C. Hamilton, 2010; Jackson, 2009).

Even some of the assumptions behind carbon trading itself as an abatement measure raise ethical questions. Pearse (2010) for example argues that the logical extension of carbon trading in an international market may be counterproductive in the long term, as the ability of industrialised nations like Australia to outsource their emissions to poorer, less developed nations by buying permits, may in fact delay dealing with the actual root cause of unsustainable greenhouse gas emissions. He notes:

> Much as some people purchased indulgences from the church to absolve their sins during the Middle Ages, rich countries would buy the right to maintain, or even increase, their emissions by writing cheques to poor countries (Pearse, 2010, p. 239).

# Conclusion

In his essay on the Global Financial Crisis, Rudd noted Stern's description of climate change as 'the greatest market failure in human history is dismissed by neo-liberals as a prescription for wanton interference in market forces' (Rudd, 2009, p. 23). Yet despite the predictions that the impact of the GFC would herald the 'end of neo-liberalism' and the ascent of a social democratic 'middle way', the larger ethical questions remain largely absent from the political discourse. While economics as a discipline has much to offer in providing a familiar and comfortable discourse with which to debate climate change policy, particularly given the temporal time lags between cause and effect, its major weakness is its implicit assumption of objectivity, something

which does not freely acknowledge the ethical implications of the value judgments upon which its models and calculation mechanisms are founded. The global impact of 'business as usual' economic growth, founded on the principle of 'let the market rule', ignores not only the potentially catastrophic potential to human civilisation if scientists are correct, but gives succour to the view that individual corporations' or nations' interests in increasing levels of affluence based on consumption should outweigh broader, more universal, collective and ethically-framed concerns.

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