

Opinion Press Release:

Low Carbon Report exhibits dangerous political compromise

After decades of sitting on our hands, the simple the act of commissioning an inquiry into becoming a low carbon economy has been hugely positive on public perception. But the Productivity Commission's final report on transitioning to a low carbon economy seems flawed in a way that could seriously undermine our future efforts to combat climate change. These are conclusions of the Otago-based but NZ-wide Wise Response Society, according to its Chair, Sir Alan Mark.

It is self-evident that the earth's life supporting capacity sets the upper bound for our continued safe occupation of planet earth. Currently, the combined ecological footprint of the way we do business and our lifestyles exceeds that capacity by more than 50%, which, if not reversed, can only lead to a sticky end. Indeed, the imperative to transition to a lower carbon economy at all, is but one expression of that excess.

"Thus" Sir Alan says, "the key flaw in the assessment is the Commissioners refusal to consider the transition in this context of ecological overshoot and the profound impact it will have on correctly framing the issue and on our ability to remedy it".

And while some technological changes will help, the Commission appears over-reliant on these, while the more fundamental changes required to respond to our energy and material limits, are not included. Neither are the implications for our international transport (including air travel which is clearly an intrinsic element of our domestic economy), or changes to food and tourism sectors properly addressed.

Terms with insufficient scope to tackle the deep seated issues has been a reoccurring issue with recent inquiries, including on the Zero Carbon Bill. Thus, our fear now, he said, is that key flaws in the report will be carried over into terms of reference for the proposed Climate Change Commission, when it is crucial it has the expertise and scope to operate without constraint in recommending whatever it considers necessary to achieve the goal of net zero carbon by 2050.

Conflicted terms of reference

The previous Government defined the purpose of the Productivity Commission's inquiry as to "identify options for how New Zealand could reduce its domestic greenhouse gas emissions through a transition towards a lower emissions future, while at the same time continuing to grow incomes and wellbeing". The Terms also required "increasing wellbeing ... including sustainability ...increasing equality, social cohesion, and resilience to risk".

"Given the close relationship between GHG emission levels and GDP, many would agree that growing incomes, while at the same time slashing our emissions, might not just be feasible. Moreover, it is common knowledge that the global economy has been sulking ever since the 2008 Global Financial Crash, which we know has economics experts scratching their heads" he added.

Growth ideology persists

Yet for decades, systems modelling has predicted the global economy will fail due primarily to resource constraints. This prediction is supported by steadily diminishing energy returned from each new unit of fossil fuel extracted - be it oil, gas or coal. A "no growth" scenario would literally reconfigure the "decision space" for a transition that is the subject of their enquiry. It is not a question of if, but when, yet that scenario is still entirely ignored in the Final Report. "We provided examples that contraction is already happening, and we argued for focusing on the how to handle limits collaboratively, rather than just the same old expansion and more through competitive advantage " Sir Alan added.

Treating gases differently

Perhaps due to political pressure, the Commission's emphasis seems to have become focussed on "low emissions" rather than "zero emissions". They may believe that this could be compatible with the 2°C target, but it seems a high risk approach leading to a 50 - 100 year overshoot before coming anywhere near a target like 1.5°C. Importantly, some changes triggered by an overshoot can be irreversible - e.g. collapse of part of the Greenland ice sheet or permafrost collapse, or a transition in thermohaline circulation - and that is before getting into all the biophysical and social impacts. Thus, peak climate forcing is important and making exceptions for short term agricultural gases, deviates from international practice and increases the risk of losing control of the climate.

Other issues

Other errors of judgement Wise Response identify include an over-reliance on forestry to offset gross carbon emissions (particularly those from fossil fuels) when it's high risk and at best, just buys time. They maintain optimism in technological innovation as well as the concepts of "decoupling" emissions from economic growth and carbon capture and storage, when their feasibility at scale is still unproven.

Helpful recommendations

Recommendations the Society does applaud include the clear statement that our very small share of the total global emissions (<0.2%), does not justify inaction, as about a quarter of global emissions come from countries with emissions less than 1%; we need a system of emissions budgets recommended by an independent advisory Climate Change Commission; the advantages to be had of moving urgently against emissions; and the massive opportunity for offsetting by restructuring our transport systems.

Political challenge

A key observation Wise Response endorses is that "shifting to a low-emissions trajectory will critically depend on cross-party political leadership and fortitude".

Wise Response says that they are not blind to the political conundrum facing the Government between recognising the extent of change required by NZ and other nations together to restabilize the climate and that some of the measures required to achieve it are likely to be deeply unpopular.

But what we deny at our peril is that the prerequisite for a productive economy is a stable climate and sustainable resources, so the transition pathway must be determined by what achieves that and not what we are willing to forgo.

"Our next, and possibly last, opportunity to get this right is through an adequately briefed, independent and representative Climate Change Commission. If all political parties and sectors fully appreciated the gravity of our situation, we are sure there would be no demand for political compromises that might hinder genuine analysis or delay essential action" Sir Alan said.

"It's also apparent from efforts by other states to shift to a lower-carbon economy that our government will need to be prepared to explain the need for some possibly harsh new policy to the public, so that they are willing to accept them in our common interest for the younger and future generations welfare " he concluded.

Further information:

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