The Carbon Tax and the Spending on Propaganda

By Alan Moran

Flood relief is only one area where Australians are being required, or as Julia Gillard puts it, being asked, to "donate" their tax dollars.

Australians are also being asked to donate generously towards promoting the case for a carbon tax. Not only does the government have its own politicians and a vast supportive bureaucracy tirelessly pressing the case, but it also has established a series of "independent" bodies to do so. Aside from CSIRO and other agencies dependent on climate change budgetary support, the government now has four other bodies funded by the taxpayer to review, explain and garner backing for its favoured carbon tax.

The latest is the Climate Commission. Headed by alarmist Tim Flannery, this has a budget of \$5.6 million and comprises five other warmists plus a support group of nine reliable science advisers plus a secretariat supplied by the Department of Climate Change.

We already have Garnaut's Review of the 2008 Garnaut Review, staffed by personnel seconded from the Department of Climate Change and elsewhere, whose jobs and advancement depends on the process continuing.

Then there are the expert advisors to Parliament's "multi party committee on climate change" and the government subsidised bodies like the Grattan Institute funded largely to rehash material on climate change and promote the benefits of taxes.

There is no self-reproach within the Government about using agitprop approaches, which are much favoured by dictatorships, to foster citizen compliancy. Using taxpayers' money to persuade the same taxpayers that they should acquiesce in releasing additional swathes of their incomes to the government epitomises a nanny state wherein a wise leadership knows best what is really in the public's real interests.

The government's generosity with taxpayers' money means we are being bombarded by material from four greenhouse related directions.

First we are told that thousands of scientists all agree that man-made warming, now renamed climate change, is taking place and that recent hurricanes and, counter-intuitively, cold spells actually substantiate this. Evidence that the weather anomalies have always been with us is dismissed. So is the fact that the drought has broken and that our rivers are no longer drying and that the data showing the world's climate unexpectedly and inconveniently has not warmed for 15 years.

That this set of assertions is supported by a vast scientific consensus is incorrect. There are lists of scientists supporting either side of the debate but in fact few of these scientists are credentialed in the key area of climate physics. Indeed climate change skeptic Richard Lindzen, the world's foremost atmospheric physicist, points out that only a few hundred people in the world have these qualifications.

Secondly, Australia is depicted by the propaganda as standing alone against a tide of international action to tax carbon. Unstated will be the fact that we already wastefully ensure more electricity than average is produced from politically correct non-carbon sources like wind. Wind produces two per cent of our electricity, a larger share than the US, Japan, China and the UK. Moreover the US states, like the Obama Administration, are reneging on previous commitments to reduce carbon emissions. The climate retreat has also commenced in Europe where Holland, Spain and the UK are leading the rout.

Thirdly, we will hear that increased regulatory action against carbon emissions is inevitable so we should accept a carbon tax as the least painful alternative. We will be told how this is more efficient than regulation which has spawned wind generation, and that it is superior to its counterfeit cap-and-trade alternative since it can be better fashioned to avoid compensating those businesses reliant on energy that involves carbon emissions. There is silence that the corollary of this means abandoning wind and other targeted subsidies.

Finally, figures have been conjured up to demonstrate that a new carbon tax won't need to be that large, at least initially. A compliant Treasury has modeled the effects of the tax on electricity usage and, by assuming an imminent adoption of new and unproven technologies, argues that electricity prices won't even need to double. We are assured that a radical industrial restructuring that eliminates the energy intensive industries on which we depend, will be painless. The consumer, it is said, can afford the costs and the poorest will be compensated.

Using taxpayers' money to persuade the same taxpayers that they should acquiesce in releasing additional swathes of their incomes the government epitomises a nanny state. The Government is saying that its own wisdom is superior to that of its voters, in understanding the public's real interests.

A confederation of interests supports the proposed tax. For the Government the tax will provide a means of balancing its budget and a war chest to buy votes at the next election. Support is offered by those scientists who want to be listened to and to have access to well-paid positions. Then there are environmentalists who want to change the way people other than themselves behave, consume and interact. Policy makers are also keen to be involved in remodeling the economy in ways that will enhance their own stakes.

The losers are the ordinary citizens who are being coerced into providing funds to promote policies that will lower their living standards.

Alan Moran is the Director, Deregulation Unit, at the Institute of Public Affairs. He has been involved in the economics of energy and greenhouse issues for 15 years with the IPA and prior to that with government and private sector institutes.