Deputy Prime Minister Anthony told a Metal Trades Industry Association meeting in October that “energy exports will make Australia one of the great countries of the world by repeating the boom conditions of the 1960s”. *(The Australian, 23.10.79.)* Such developments, he added, would also generate activity in provision of infrastructure, railways, handling equipment, machinery and machine shops.

Shortly after, Mr. Lynch, federal Minister for Industry and Commerce, announced “that $16.3 billion in investment projects was now at the committed or final feasibility stages”. *(The Age, 27.10.79.)*

These prospects were written up in glowing terms by Russell Schneider in the *Weekend Australian* of November 24-25, and in a long editorial in which a whole economic program, election policy and political philosophy is spelled out. Says the editorial:

> At last some good news. Australia’s energy reserves give us the prospect of $16,000 million worth of investment, 100,000 or more new jobs, new towns, new industries.

> The Australian Mining Industry Council recently pointed out that the industry faces many hazards. The obvious ones are world prices, inflation ..., exchange rates and unexpected tax increases.

> The increased cost of providing towns ..., and the rest of the necessary infrastructure — railway systems, ports and airstrips — also adds to the risk of mining development .... It is no longer possible to leave this burden with the individual entrepreneur. Mining is a community gain for which the community must accept some responsibility.

> Federal and State environmental controls can set back developments for many years, cost the companies involved a fortune, and deny countless jobs in the meantime.

Aboriginal land ownership (can also) thwart development.

> And finally there is the question of stability .... $16,000 million .... cannot be committed without investors feeling confident that their funds will not be jeopardised by political uncertainty.

> We can only hope politicians from both sides will realise that potential ....”

This is Murdoch speaking, but it could just as well be the *Herald and Weekly Times*. The takeover battle between them was not over policy, but power and spoils, as in the case of CSR.

Now look at the propositions themselves. In the first place, the investments are far from certain, more than half — nine billion dollars worth — of the total being still in the feasibility study stage.

> The Financial Review’s ‘Chanticleer’ also pointed out that: “The euphoric stock market of recent months has run up against the inevitable — prices cannot continue to rise in the face of a likely world recession, rising interest rates and chronic oil problems.” *(19.11.79)*

The same writer also said concerning the spate of huge takeovers: “It is far cheaper these days to expand through a takeover than to buy new plant ..., indicating that as much or more money is going into takeovers as into new investment.” *(Financial Review, 10.10.79)*

The soaring interest rates in Britain and the U.S. are also causing an outflow of capital seeking profits without doing anything at all, thereby reducing amounts available for investment.

**Jobs?**

But suppose all the investments do get under way, will it solve economic problems, especially unemployment?

The original announcement from the Department of Industry and Commerce
included a statement that 66,000 jobs would be created, half of them in the construction stage only, leaving only 33,000 jobs.

But let's take the higher, 100,000 figure — apparently arrived at on the basis of there being a "multiplier effect". 100,000 jobs sounds impressive, and it certainly can't be ignored. But how does it add up against the overall situation, there being few other announced plans to provide jobs.

In his Boyer lectures, which are not unconnected with the issues under discussion, as we shall see, Bob Hawke puts the number now wanting work at three-quarters of a million (those registered and the "hidden" unemployed).

On this basis, less than one-seventh of the unemployed would get work from these huge expenditures, while over a million school leavers would come onto the labor market during the decade. (Estimates vary, but the net increase in the workforce for the ten years, after deducting those who will retire, is likely to be between 600,000 and 700,000).

There will also be hundreds of thousands more jobs lost through technological change in both manufacturing and services. Computer expert, Linton-Simpkins, estimates that in only the first half of the 1980s, 500,000 jobs will disappear in the clerical area alone.

So, whatever its other merits or demerits, the kind of "energy future" envisaged for Australia by the hungry multinationals and their local hangers-on will certainly not solve the job problem.

The plans they have are for capital-intensive and energy-intensive enterprises, such as aluminium smelting. And this industry, like most other energy-intensive ones, is environmentally very detrimental.

And the jobless themselves?

"About half of the 141 people who committed suicide in South Australia last year were unemployed or out of the work force .... suicides among unemployed people were five times as frequent as those among people with jobs."

— Sydney Morning Herald, 17.11.79.

"Women, both with and without dependent children, find not working a negative experience. Their lives are affected by their lack of income and their spending is reduced. Their social life also diminishes — boredom, depression and loneliness were the main emotions people expressed when asked how they felt about not working."

— Recent survey of the NSW Council of Social Service.

"Governments should resist proposals to compensate people who are adversely affected by technological change as such proposals are inherently inequitable in that they create a privileged class of social welfare recipients." (Treasury submission to Myer Inquiry into technological change.)

— Financial Review, 3.10.79.

"..... we (!) must not squander the proceeds from our mineral wealth in trying to build up some kind of cradle-to-the-grave welfare society, without any thought for the productive capacity of future generations." (Mr. John Utz, Chairman of Wormald International, at the Australian Institute of Management's 21st general conference.)

— Financial Review, 22.11.79.

"..... major disruptions to Australia's internal macro-economic policies have always come through the external balance."

— The Australian, 13.11.78.

The environment

To promote a non-solution to the jobs problem, environmental protection (and Aboriginal land rights) must be cut back, according to The Australian.

And how is the environment faring now?

"Rainfall with an acidity level of vinegar that can seriously affect aquatic and terrestrial ecosystems, has been reported in widely separated areas of the earth in recent years." (Zoologist Dr. Harold Harvey criticised as nonsensical plans to overcome the acid rain's deadly effect on fish by breeding acid-resistant species.)

— Financial Review, 8.11.79.

At first sight it seems bizarre that anyone should even propose breeding acid-resistant fish as a "solution" to a mounting and deadly
pollution problem. But is it really so different from what is happening to us all the time?

We mustn’t stand in the way of technology, but fit into it, however job-destroying; however skill-eliminating; however much it helps to more firmly tighten the bosses’ control of the labor process; however dangerous to physical and mental health, the particular technology may be.

“If you think unhealthy working conditions are a feature of the past, not the present — think again .... last year .... one in every 19 workers in this state blamed their jobs for health problems which kept them off work for at least three days. The problems were the result of chemicals, dust, stress, noise, machinery and a multitude of other potential hazards we all face in our workplace.”

— Peter Manning, *Sun-Herald*, 18.11.79.

If you want opportunities for healthy, creative work, control of your fertility, your life on the job and where you live, forget it. Forget your needs, forget your humanity and force your body and your spirit into the mould demanded by modern capitalism.

And if you become half-demented in the process, or “criminal”, they have that covered too, with suitable treatments and confinements to force you into it.

They mightn’t yet be able to breed acid-resistant human beings, but they’re no doubt working on it as Aldous Huxley foresaw nearly fifty years ago in his famous book *Brave New World*.

It is supposed to be “realistic” to go along with what you can’t immediately change, and this has been the main point hammered by Bob Hawke in advocating uranium mining. (He really means “get with the strong”.)

But how realistic is it to go voluntarily along the nuclear road?

Professor Hannes Alfven, Swedish physicist who helped develop nuclear power, is now “adamant that the ... nuclear power industry is the road to death and must be dismantled.”

He says: “Even the Pacific Ocean is too small to be acceptable as a waste disposal area.” (*Sydney Morning Herald*, 17.11.79.)

However, the professor was not just negative, but added: “Your country is wonderfully placed to use solar energy.” And pointing to the sun, added: “That nuclear reactor is 150 million kilometres away and we are shielded from its harmful radioactive waves. That is the nuclear reactor we must learn to use to the full.”

Energy policy

Australia’s energy future is crucial for our economic future, our employment future. This is also true of the world.

The road proposed by the Fraser government, *The Australian*, and virtually the whole capitalist class is a wrong, disastrous road. The Labor Party, so far, has proposed only some modifications which don’t alter the central thrust. The socialist forces in Australia, including the Communist Party, have yet to develop an alternative road, a new course for Australia in this respect, and I would like to suggest some central features of what that might be.

1. The main expressions of the energy crisis at present are periodical shortages of oil and an escalating price. Though these arise from various economic and political factors, not just a shortage of the material itself, they presage the fact that over the next decade or so oil resources will begin to decline and do so increasingly rapidly.

Much of the present thinking concerns finding alternative sources of supply (oil from shale or coal, tar sands, plants, and alcohol from plants) to keep up the present consumption pattern and its extension.

(At present, about 53 per cent of the energy consumption in Australia goes into industrial and commercial uses, 34 per cent into transport and 13 per cent domestic.)

Most of these alternatives should be encouraged, but as bridging measures to more far-reaching solutions.
But there is no way alternative sources could provide the quantities needed on our present consumption pattern. To illustrate: a shale oil plant producing 100,000 barrels of oil a day would produce also 150,000 tonnes of solid waste. Australia at present consumes over 600,000 barrels a day, so we would have to dispose of about 1,000,000 tonnes of waste a day! Therefore, radical alternatives have to be developed which provide for different social priorities, alter the form of our cities and change public transport pattern, improve the quality of life, modify attitudes to other nations, especially the under-developed ones, and foster new attitudes to nature and the environment.

2. The rising price of energy resources and the escalating amounts and costs of capital required to find, develop, distribute and convert them are major inflationary factors. These are multiplied because the oil companies are developing energy companies and using their monopoly position to screw even their capitalist "mates" as well as workers and consumers.

"The hike in oil prices has resulted in mammoth profit increases for the oil majors. Faced with a dwindling world oil supply they are diversifying their interests. Australia, with coal reserves totalling 36 billion tonnes, is a prime target."

— Stuart Simpson, National Times, 24.11.79.

3. Reliance on "market forces" to advantageously distribute resources is questionable in most fields, but is especially inappropriate for energy:

* Capital does us a good turn by chasing the highest profit because it goes where it's needed. But such considerations cannot in their very nature take into account the needs of future generations of people, or care for the environment because the "value" of these things can't be measured in dollars.

Still less can market forces do so when they are largely fictitious due to monopolisation. If the oil companies are able to repeat with coal and other energy resources the collusion, ruthlessness and exploitation they are already notorious for, humanity's plight will be grim indeed.

* Raising the price of Australian produced oil to world parity is done on the basis of "supporting market forces" and conservation. All it means is, as a Labor MP has pointed out, is that every petrol pump is a tax machine. And that tax falls, as usual, most heavily on the low-paid workers, most of whom cannot get to work without a car because of the nature of our cities. They have to go without other necessities. (In economists' jargon, the demand for petrol is very inelastic — so much for conservation.)

A burden similarly falls on the poorer countries, laying the basis for intensified international conflict. (Examples of the different amounts of energy used per head in different countries are: US 11.6 units, Australia 5.4, India 0.19, Ethiopia 0.03.)

Therefore, in this energy area especially, social needs have to take priority over private greed. This can only come about by social decision and political action.

4. Energy must be the first target for social control, and an essential condition for that is nationalisation. (It is not the only essential condition, of course, but it is a pre-requisite.) And the place to start is with oil and gas, then coal.

The Labor Party's plan for a Hydrocarbon Corporation to compete with energy multinationals, resources taxes, etc. are all very well, and can be supported as part of a wider campaign for full nationalisation. But by themselves, they will be inadequate to change the direction in which the energy multinationals are taking us.

5. The huge sums of money coming from high oil prices can and must be used to create new job opportunities in quite new directions.

First and foremost $1 - $2 billion a year should be invested in solar research, actual production, installation and export of equipment, energy conservation (for example, proper insulation of buildings), and large-scale development of railways and other public transport systems. This would still leave enough over for oil exploration, and a reduction in the price of petrol. (Oil exploration is costing only about $100 million a year at present.)
The government gets about $2 billion a year revenue from oil, and the oil companies also get huge amounts. The government has just declared that the Esso-BHP Fortescue field is “new oil” which the Financial Review estimates is a gift of $3.5 billion!

Such an alternative program to develop on a large scale the flow of energy from renewable resources is also needed to demolish the one remaining persuasive argument for nuclear power and eventually the breeder reactor.

If only one hundredth of the amount spent on research on nuclear weapons and nuclear power were put into solar energy, quick progress could certainly be made (see, for example, Barry Commoner in ALR No. 67, and Jobs and Energy, reproduced by Environmentalists for Full Employment).

Solar energy cannot, of course, provide all needs or replace all other energy forms. But it can make a decisive impact, and allow proper conservation of fossil fuels, mainly oil, gas, and coal for other uses including feedstocks for plastics, synthetic rubber and fertilisers.

And even motor transport, though difficult, is not beyond the possibilities of solar energy — for example, the use of fuel cells combining hydrogen and oxygen made available by using solar power to separate these elements from their chemical combination in the form of water.

CLASS AND SOCIAL STRUGGLE

The energy crisis and the issues it raises, which are so loaded with social and ideological as well as economic content, are generating wide debate which does not follow simple class lines.

But the struggle for an economically just and ecologically sound solution which will advance human welfare now and in the future is an essential feature of the struggle for socialism today, an essential feature of the class struggle, viewed historically.

It is no accident that Bob Hawke has chosen the theme “resolution of conflict” for his Boyer Lectures, and of his pursuit of the Labor Party leadership and the Prime Ministership.

Leaving aside the thin content of the first two lectures we get more to the nitty gritty in lecture three.

Here Mr Hawke pursues the fond hope that “objective discussion” between capitalists and workers in the form of a national conference, will bring about a consensus on the proper solution of unemployment and the social issues raised by the movement for women’s liberation.

The media promotes Mr. Hawke because it believes that the class collaboration he preaches and practises is the clue to the “stability” The Australian editorial says is essential to entice the energy investors.

This, plus the big stick contained in federal and state legislation directed against union and civil liberties, and the strengthening of the secret police (ASIO) is their program for our future politics.

But whenever were the people’s problems solved by collaboration with the class or classes who exploit them, or by allowing democratic rights to be taken away?

November 11, 1975 showed how much the ruling class believes in “consensus”. Have they changed in the meantime, except to get more arrogant, more greedy, more dictatorial?

The first year of the ’80s should also be a year of struggle, not collaboration. Of struggle for a nuclear free Australia in nuclear free oceans.

Of struggle for a new social direction with a new energy policy as a cutting edge.

Of struggle to win jobs for all.

Of struggle to expand the power of the people in factories, institutions and communities and repel the attacks on union and civil rights.

Of struggle to defend and improve living standards — to use the riches of the country for the people.

The forces to be overcome are great, but the stakes are high indeed — the decade of the ’80s could well determine the direction our society takes for a long time to come.

— Eric Aarons, 28.11.79.