

The Politics of Climate

Michelle Grattan

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Seldom do we see the politics of an issue change so dramatically as has happened with climate change. Think back to 2007: the climate issue was a key weapon in Kevin Rudd's armoury; this ensured John Howard had to play a matching game, promoting an ETS despite his earlier opposition.

In contrast, since late 2010 Tony Abbott has gained much of his momentum against the Labor government by exploiting the negatives of this issue.

More generally, over several years the climate issue has been a prime contributor to the demise of Brendan Nelson, Malcolm Turnbull and Kevin Rudd, as well as doing terrible damage to Julia Gillard.

How do we explain such a dramatic turn in the politics?

At a basic level, I think we can look to the twin factors of the Global Financial Crisis and the failure of the Copenhagen climate conference. The former turned the minds of governments and individuals back to the economic fundamentals; the latter represented a major (or at least significant, depending on your viewpoint) slowing of international progress on common action to deal with climate change.

The changed climate (no pun intended) dramatically affected both sides of Australian politics.

The Coalition opponents of action got the upper hand. When they couldn't force Turnbull to change his pro-ETS view they turfed him out (though there were other factors at work here too), and under Abbott the party defeated the Rudd legislation for a second time. Turnbull's demise came after economic issues had cast their long shadow and immediately before the Copenhagen debacle confirmed the loss of international momentum.

Rudd decided it was best to take a big step backwards and in April 2010 put his ETS plans on hold. But he failed to realise how that would damage his credibility.

Julia Gillard's stand for her 2010 election campaign was to promise a slow approach in order to build consensus. Her so-called "people's assembly" might have been a joke, but the gradualist CONCEPT was pretty sensible (though it carried the risk that as the issue became less popular and publicly galvanising, it would disappear off into the political never never).

Of course, when things were getting difficult Gillard also threw in that “no carbon tax under a government I lead” pledge that was to prove so politically disastrous.

After the election she did a U-turn, under pressure from the Greens, on both the pace of dealing with a carbon price and the carbon tax.

Quite why she did this is something of a mystery. It’s not that Bob Brown had anywhere else to go. And the notion of a personal commitment on the part of Gillard doesn’t explain it. After all, she was one of those who had urged Rudd to defer or drop the ETS. From then on, the climate issue was weighed down by two heavy stones. It had fallen out of sync with the electorate’s preoccupations and it had become enmeshed with Gillard’s credibility — or, rather, the lack of it.

What an irony! When the public was quite keen on a price on carbon — in June 2009 65 per cent backed an ETS, according to Nielsen polling — the Rudd government couldn’t get it through the parliament. Now the public doesn’t want a carbon price — a Nielsen poll in August this year had only 39 per cent in favour — but the legislation will be passed.

There will be a heavy political price for Gillard. She argues carbon pricing will become much less of an issue when people see the scheme in place; I think however that it has become so linked with the issue of people’s distrust of Gillard that it won’t fade nearly as much as she hopes, especially in regional areas. This is especially so as Tony Abbott is promising to repeal the plan.

But Abbott’s position is not without problems. Even if the issue doesn’t fade and keeps damaging the government, it will become more complicated for the opposition. The onus will be on Abbott to explain how the unwinding will work: its timetable, consequences and costs. If the parliament goes full term the scheme would be a year old when an Abbott government got a chance to start to unwind — and it would take a while after that. Much of the business community would be less than happy with such chopping and changing.

The cynics believe Abbott would simply go back on his promise. I think he has seen enough of the damage that breaking your word has done to Gillard not to follow suit. But he could come under a lot of pressure to do so, not least from sections of the business community which had factored a carbon price into its investment plans. (It should be remembered that when we talk about “business”, different companies have varying interests in the carbon pricing debate.)

Assuming the carbon price advocates retained potential blocking power in the Senate (in other words Abbott did not win a majority or at least a sympathetic Senate at the election) the Coalition’s path to reversal could be very fraught.

Abbott reckons on Labor in opposition not fighting on to defend its scheme. If it did, he threatens a double dissolution. That threat would be a disincentive to Labor — it would

hardly want two elections in quick succession — but could also be a potential danger for Abbott, depending on how he was going.

Whatever happens, the politics of carbon pricing will remain uncertain, divisive and challenging for both sides of politics for a long time yet. Which is unfortunate, because this is an important reform; but one best carried out with bipartisan support.