

## There's so much wrong with Anthony Albanese's 'Green ANZUS'

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Rehearsing what he says is Labor's long commitment to the American alliance, Anthony Albanese has sought to [modernise](#) this, saying, " On coming to office, I will make comprehensive US-Australia co-operation on climate change a hallmark of our alliance.

That agenda is being set by political commentary on the recent IPCC report's climate forecast. The report, delivered last month, contained some concocted data on previous centuries, temperature data that disappeared the warmer climate in Roman times and the Viking era and cooler eras post 400 AD and in the four centuries to 1850. That apart, the recent IPCC report was rather less gloomy than some earlier ones regarding adverse temperatures and climatic events.

None of this deterred UN Secretary-General Antonio Guterres claiming, in the run-up to November's Glasgow meeting of political leaders, that it was a Code Red for humanity.

Anthony Albanese is echoing that alarmism at a particularly unfortunate juncture.

Joe Biden, at the behest of his woke base, is promoting a signature departure from the Trump Presidency on climate policy. The US re-entered the Paris Agreement, lent support to the notion of carbon tariffs and lobbied China (without success) to accelerate its phantom 2060 goal for decarbonisation. And climate measures with massive new subsidies for renewables are centrepieces in the \$3.5 trillion "build back better" stimulus presently before Congress.

Whereas Trump was pulling back subsidies for renewables and other greenhouse suppressing measures, Biden plans to increase electricity from wind and solar from today's 10 per cent to 37 per cent 15 years from now. We all know how that goes: wherever more wind/solar is forced into the system, prices rise and reliability deteriorates. We have seen that in Australia, in California, and we are now seeing it in Britain.

China has not only rejected the US calls for it to accelerate its whimsical emission reduction program but is going the other way. Last month it terminated all future renewables subsidies. Even prior to that China has been careful, unlike the West, to ensure the continuation of its fabulous industrial progress, which is based on low-cost electricity from coal, gas, nuclear and hydro generation. China has built about 70 per cent of all the world's coal plant over the past decade and plans huge future expansions.

Hence, the US, already facing a crisis of confidence in its military, is focussed on diluting the efficiency of its own domestic energy supply and hence its defence capability. At the same time, a newly belligerent China is discarding any previous pretence that it would march towards substituting high-cost unreliable wind/solar for low cost, reliable coal.

Australia has already moved much further than the US in disarming our productivity by subsidies to renewables, and planning constraints on coal and gas. Albanese wants to take us further when, aside from the economic cost of this, we now require much greater self-reliance in the face of Chinese expansionism.

Not only should Australia resist any further measures to subsidise renewables, we should wind back the existing ones. We are spending \$7 billion a year on subsidies targeted at wind and solar. In addition, as we are finding with Snowy 2, there are billions more needed for the transmission to get that low-quality power to the market. And, after all, the woke brigade from CSIRO to Greenpeace tells us that renewables are already the cheapest forms of energy!

While, in the run-up to the Glasgow meeting, there remain pressures on Australia to up its commitment to shedding hydrocarbons, these pressures are abating. Developing countries are united against taking actions that will reduce their economic competitiveness and even the UK is now facing internal resistance to abatement measures. The Biden Administration's \$3.5 trillion "build back better" program contains no mention of carbon border taxes among its extensive tax proposals. Hence, we will face no trade consequences from reducing our penalties on low-cost energy use, except perhaps from the EU, which is not a major trading partner.

Our natural trade fit is with China, India and other nations in our region to which we can supply the food and raw materials their rapid growth requires. But for this we need cheap power.

*Alan Moran wrote the chapter "Current trends and perspectives in Australia" in [Local Energy Markets](#) edited by Tiago Pinto et al and recently published by Elsevier.*