

TITLE: Miners reveal a poverty of thinking on coal

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In a world in which war is waged for humanitarian reasons but sending doctors and nurses to prevent an outbreak of Ebola is considered too risky, almost any spin seems possible. But surely the mining industry's claim that the best way to tackle global energy poverty is to build more coal mines takes the biscuit.

Coal companies have been very vocal in recent times about the billions of people around the world without access to energy or safe cooking facilities. The CEO of coal mining company Peabody Energy went as far as to say that tackling energy poverty is "the world's number one human and environmental crisis".

Now, after a century of making a fortune selling coal to those who could afford it and ignoring those who couldn't, the mining industry has had an epiphany. Poor people in poor countries lack many of the necessities that Australians take for granted. And, according to their PR firms at least, the miners really want to do something about it.

The world's greatest hearts and minds have long wrestled with the issue of how to lift people out of poverty. Mahatma Gandhi, Nobel laureate Amartya Sen, Microsoft billionaire Bill Gates – they've all spent years pondering where best to start and how best to help. Is it by educating the masses, preventing aids and malaria, providing micro finance, or just cutting taxes and letting the market rip?

The coal miners have stumbled onto a much simpler solution. We just need to sell more coal.

A cynic might argue that the miner's newfound interest in the poor seems to have occurred at precisely the time that rich countries have started turning away from coal. A real cynic might argue that blaming climate activists for ruining the lives of poor people was too good a wedge for the miners to ignore.

But a well-paid spin doctor working for the miners can take such cynicism in their stride. Any industry that can fund climate sceptics to accuse NASA of being part of a 'warmist conspiracy' can easily keep a straight face while blaming environmentalists for global poverty.

It would be easy for sensible people to ignore the well-funded, globally coordinated strategy of selling coal as the solution to 'energy poverty'. But, of course, it was easy to ignore the climate sceptics when they first started their well-funded, globally coordinated strategy of attacking science also.

Even though the notion that the best way to help poor people is to build more coal mines seems self-evidently ridiculous, history tells us that we should never underestimate the ability of the mining industry to rely on ridiculous arguments to prevent climate action. After all, taxpayers have wasted billions on research trying to invent 'clean coal' for the miners.

So here is how to win an argument about energy poverty.

The first question to ask a mining executive expressing concern with energy poverty is how much tax their company pays in developing countries. Unfortunately for the world's poor, mining companies often spend far more money on accountants and lawyers than they pay in taxes in developing countries.

The second question is 'how much of your profit do you donate to tackling the great crisis of energy poverty?' According to the Corporate Social Responsibility reports of the world's biggest mining companies, the answer is 'bugger all'. In fact, giant United States coal company Peabody Energy spent more on improving a Queensland golf course than they spent on projects designed to address energy poverty.

Next, ask the miners that do support energy poverty programs: what they spend the money on? Here's where it gets really weird.

While the miners like to say that coal helps with energy poverty, when they spend their own money to address the problem, they don't use coal. Solar lamps, solar panels, diesel generators, hydro, platinum fuel cells – anything but coal.

Why, you could ask do companies like Adani, BHP and Rio Tinto fund renewable energy solutions to energy poverty?

The answer is that it just doesn't make economic sense anymore to spend a fortune on huge coal-fired power plants and the poles and wires needed to transport coal fired electricity. Even for coal companies, using coal to supply the world's poor with electricity is too expensive.

Leaving the economic absurdity of a 'poles and wires' first strategy to poverty alleviation aside, it's also important to highlight the direct health consequences of burning enormous amounts of coal. According to the International Energy Agency, "we should not overlook the health problems tied to local pollution produced by coal combustion."

Australia didn't build coal fired power stations near built up areas because anybody who had the choice would get out as soon as possible. They are noisy, smelly and make people sick. But in densely populated countries like India, where an estimated 100,000 deaths per year are linked to coal consumption, there are few empty areas near large population centres.

And finally, if a mining spin doctor has managed to avoid answering questions such as these, you could ask whether they think it will be the rich or the poor who will wear most of the costs of climate change? Sadly, a wide range of scientific evidence confirms the common sense perception that those who already have insecure housing, poor access to clean water and who struggle to buy nutritious food at today's prices will be hit much harder by the impacts of climate change this century than the average mining executive.

The mining industry's only responsibility is to maximise the profits they make for their shareholders. For the last century they have been as unconcerned with energy poverty as they have been with climate change. But as cost of new battery storage technologies continues to fall the pressure on the business model of huge power stations linked to enormous networks of poles and wires continues to rise.

Just as much of Africa saved tens of billions of dollars by leapfrogging from no phones to mobile phones, the same is possible when it comes to energy. Remote villages and towns will get far cheaper electricity from renewables with batteries than from coal-fired power stations with poles and wires. How can we be so sure? That's what the miners invest in.

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