



# Occupy Economics



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Free Skule, Alexandra Park, June 10, 2012:  
Economics Class Theme: A Role Play

## To the Teacher-Learner

Assign character roles to the participants in the class. If there are more participants than roles, several participants can share a role.

After the play, initiate critical discussion that evaluates the content of the role statements in the context of what participants expect from Canada's future.

## A Play in the Fields of Athabasca's Tar Sands

Characters:

- 1) The Narrator
- 2) James Hansen, Director NASA Goddard Institute for Space Studies
- 3) Stephen Harper, Prime Minister of Canada
- 4) Jeremy Rifkin, Chair Third Industrial Revolution Global Roundtable
- 5) Joe Oliver. Natural Resources Minister
- 6) Thomas Mulcair, NDP Leader
- 7) John Doe, environmental activist
- 8) Anne Sam, Nak'azdli First Nation
- 9) Ken Hughes, Albertan Energy Minister
- 10) John Baird, Minister of Foreign Affairs
- 11) Elizabeth May, Green Party leader
- 12) Gil McGowan, President of the Alberta Federation of Labour

All dialogue is actual statements of the characters, as reported in the press. For references, see [occupyeconomics.ca/pdf/playref.pdf](http://occupyeconomics.ca/pdf/playref.pdf)

## 1. The Narrator:

First the numbers -

The bitumen sands in northern Alberta contains an estimated 170 bbl of extractable bitumen, or heavy oil, all mixed up with sand. It is the third largest known oil reserve in the World.

On average, not all of a barrel of oil is burned, for instance, some is used for asphalt and plastics. If we take the average burned part of a barrel of oil, it will send 317kg of CO<sub>2</sub> into the atmosphere. Extracting an barrel of oil from tar sands require processes that further emit 108 kg of CO<sub>2</sub> (averaging in situ and mining emissions), in other words the total emission of CO<sub>2</sub> will be a third higher than the average non-tar sands barrel of oil. There are also secondary emissions of CO<sub>2</sub> to be considered, stemming from the deforestation necessary before the strip extraction can begin. Furthermore, since plants absorb CO<sub>2</sub>, the reduction of forest cover also adds to the oilsands harmful CO<sub>2</sub> effects.

Currently 1.6 million bbl is extracted per day. Using above calculation, this accounts for 68 Mt (Megatonnes) CO<sub>2</sub>, or roughly 10% of Canada's total yearly emission of 692 Mt greenhouse gases. At current pace of development, this will between double and triple over the next twenty years.

With around 20 tonnes of CO<sub>2</sub> emitted yearly per capita, Canada is the third largest per capita emitter of CO<sub>2</sub> among the advanced industrial economies, behind Australia and the United States.

## 2. James Hansen, Director NASA Goddard Institute for Space Studies:

Global warming isn't a prediction. It is happening. I was troubled to hear President Obama say that Canada would exploit the oil in its vast tar sands reserves "regardless of what we do." If Canada proceeds, and we do nothing, it will be game over for the climate.

If we were to fully exploit this new oil source, and continue to burn our conventional oil, gas and coal supplies, the level of heat-trapping gases would assure that the disintegration of the ice sheets would accelerate out of control. Sea levels would rise and destroy coastal cities. Global temperatures would become intolerable. Twenty to 50 percent of the planet's species would be driven to extinction. Civilization would be at risk.

We need to start reducing emissions significantly, not create new ways to increase them. We should impose a gradually rising carbon fee. President Obama speaks of a “planet in peril,” but he does not provide the leadership needed to change the world’s course.

### 3. Stephen Harper, Prime Minister of Canada:

I remain very confident about the future of the oilsands industry and its ability to generate wealth for the Canadian economy. “ This is one of the sectors that creates some of the most jobs, not just in the oil patch, but around the country in terms of manufacturing and support services, and this government will continue to do everything to promote the Canadian energy centre.”

As economic policy the Kyoto Accord is a disaster. As environmental policy it is a fraud.

“We can debate whether or not... CO2 does or does not contribute to global warming. I think the jury is out.”

"It's critical to develop that resource in a way that's responsible and environmental and the reality for the United States, which is the biggest consumer of our petroleum products, is that Canada is a very ethical society and a safe source for the United States in comparison to other sources of energy."

### Narrator

The term "ethical oil" has become the centrepiece of a new application for a classic marketing strategy. After being added to the Conservative political lexicon, the slogan is slowly beginning to creep into the public discourse. And like other attempts by industry and advocacy groups to use value judgements to alter public opinion, it has the potential to change the way we think about Canadian oil.

### 3. Stephen Harper, Prime Minister of Canada (continued): :

I vow to root out government funding of groups unfriendly to our economic and environmental policies. If it's the case that we're spending on organizations that are doing things contrary to government policy, I think that is an inappropriate use of taxpayers' money and we'll look to eliminate it.

#### 4. Narrator

Our policy will be to ensure that any potential international agreement on carbon emissions is voluntary, unenforceable and meaningless.

#### 5. Jeremy Rifkin, Chair Third Industrial Revolution Global Roundtable:

A “third industrial revolution” includes a sharp shift to renewable energy, which will be collected mainly through massive numbers of wind, solar, geothermal and biomass generators distributed broadly. Hydrogen and other storage technologies will ensure the power is available when it is needed, and Internet-like technology will control the complex distribution of power. Electric and fuel cell cars will draw power from that grid.

The shift to this kind of distributed, clean power is absolutely crucial to prevent a devastating increase in the planet’s temperature, and a mass extinction of human beings. We have to be off carbon in 30 years.

Focusing on the oil sands is putting Canada back in the 20th century, when Europe and Asia are absolutely moving into the 21st century. Because other economies are shifting dramatically to renewable energy, this is a really, really historic mistake. Canada could potentially become a second tier country.”

#### 6. Joe Oliver, Natural Resources Minister:

Environmental and other "radical groups" are trying to block trade and undermine Canada's economy, and don't take into account the facts but are driven by an ideological imperative.

Unfortunately, there are environmental and other radical groups that would seek to block this opportunity to diversify our trade. Their goal is to stop any major project no matter what the cost to Canadian families in lost jobs and economic growth. No forestry. No mining. No oil. No gas. No more hydro-electric dams.

The groups threaten to hijack our regulatory system to achieve their radical ideological agenda, stack the hearings with people to delay or kill "good projects", attract jet-setting celebrities and use funding from foreign special interest groups.

#### 7. Narrator:

The government isn't just talking, but will be targeting environmental groups when the House finance committee reviews charitable funding next month. The

committee could recommend changing the rules to stop them from getting U.S. money, conveniently forgetting that for instance the books of right-wing think tank, the Fraser Institute, list the ultra-conservative Koch brothers among its substantial contributors.

You say that investments also are foreign? Well, they are helping us build infrastructure to help us diversify our market. Other groups are trying to impede ... the economic progress; they're trying to block development; they're trying to block projects which will create hundreds of thousands of jobs and billions of dollars in government revenue and trillions of dollars in economic development. That's the fundamental difference."

The ultimate decision, because of (a pipeline's) potential impact on the environment and because of its importance to the economy, an elected official should have an ultimate authority in that regard, rather than appointed officials.

#### 8. Thomas Mulcair, NDP Leader:

Alberta's oilsands are artificially inflating the Canadian dollar and hollowing out the manufacturing sector in Ontario, Quebec and New Brunswick.

It's by definition the Dutch disease. The Canadian dollar is being held artificially high, which is fine if you are going to Walt Disney World, not so good if you want to sell your manufactured product, because the American client, most of the time, can no longer afford to buy it.

#### 9. Narrator:

The Dutch Disease is an economy with large energy exports which causes its currency to strengthen. This, in turn, will diminish the competitiveness of manufacturing exports. It is named after a natural gas export boom in Holland in the 1960s, but more recently Norway, currently Western Europe's largest oil exporter, has also experienced a similar problem.

#### 10. Thomas Mulcair, NDP Leader (continued):

Shifting international trade patterns are responsible for some of the 500,000 manufacturing jobs that have been lost in Canada.

What's important to note is that everyone concludes that more than half of the lost jobs are being lost because we're maintaining the Canadian dollar artificially

high ... because we're not enforcing legislation that would include the environmental costs of exploiting natural resources.

We're not enforcing federal (environmental) legislation. The Harper government is allowing foreign oil companies to use our air, our soil and our water as an unlimited, free dumping ground.

If resource companies were required to pay for their pollution, the cost of oilsands bitumen and other natural resource exports would rise and the upward pressure on the dollar would ease.

### 11. John Doe, environmental activist:

Tar sands production also poses unquantifiable environmental and social risks to local environments and communities. It is causing deforestation and increasing air and water pollution, with health and livelihood impacts on First Nations communities.

First off, the tar sands process requires a total clearcut of the forest. That in itself causes an enormous amount of CO<sub>2</sub> to be released into the atmosphere.

Then there is the problem with oil spills. In May, an oil spill that went undetected for days released 22,000 barrels of oil into northeastern Alberta's muskeg, or boreal bog land.

The spill, an emulsion composed of oil and water, came from a waste disposal line owned by Pace Oil and Gas, and was evidently only discovered when an aircraft from another oil company made a routine flyover in the area on May 19.

In June, another oil spill occurred, when up to 3,000 barrels of crude oil spilled from a pipeline into a tributary of the Red Deer River in west-central Alberta.

### 12. Narrator:

Recently the the oilsands companies have been eying China as a promising export market, but in order to tap this market the crude must get to the B.C. coast. To that end, a project to build a pipeline to transport 400,000 barrels per day from the oilsands to Kitimat is in the works. However, this is being opposed by the First Nations whose lands it will run through, who fear the potentially devastating effects of oil spills.

### 13. Anne Sam, Nak'azdli First Nation:

Water is life, for our peoples and for all living things that depend on it. The Fraser River and its tributaries are our lifeline. A threat to the Fraser and its headwaters is a threat to all who depend on its health.

Since colonization Canada has forced us to live under an Indian Act, a piece of federal legislation that restricts our rights and freedoms. During colonization our territories were taken away. With Harper's policies, the process goes on.

Aboriginal communities in Canada live at the margins of society – in abject poverty with appalling conditions. These conditions violate the adequate standard of living guaranteed by the Universal Declaration of Human Rights, and the rights to adequate housing, education, and other rights guaranteed in the International Covenant on Economic, Social and Cultural Rights.

### 14. Ken Hughes, Albertan Energy Minister:

Canadians should have confidence in the pipeline systems in Alberta and recognize that the Gateway pipeline will include the latest technology and upgrades.

Alberta has more pipelines — 400,000 kilometres — than anywhere else in the country and Hughes told the Toronto Star Wednesday that oil spills are unavoidable.

Canadians want to drive their automobiles and they want their gasoline available at their corner gas store not far away from their homes and those products get there through our pipeline system. The number of pipelines we have means incidents like this occur from time to time and they simply cannot be avoided in a province like Alberta.

### 15. Narrator

The economic interests of big oil and politics are never far apart in Alberta. Thus, Ken Hughes was sitting on the board of directors of Alberta Oilsands Inc. when he was sworn in as the province's new energy minister Tuesday (May 11, 2012), but he says he has stepped down from that post as well as the job of interim CEO of an oilfield services company called Wenzel Downhole Tools.

Conflict of interests? Well, that depends upon how you define 'interests'. Hughes forgets to mention that most of the planned expansion of the pipeline network is

not going to connect to the Canadians' corner gas stores, but to exports markets in the U.S. and in China. Tapping this huge profit potential needs pipelines, oil spills be damned. But there are environmental damage to pay to the lands of those of Canada's First Nations which the pipelines will cross.

On the federal level, the National Roundtable on the Environment and Economy (NRTEE), is an organization that research the relationships between the economy and the environment. It was established by former Conservative Prime Minister, Brian Mulroney, and made up of government-appointed industry experts, environmentalists, academics and former bureaucrats. It has been pushing the government to implement a carbon tax as a way to encourage industry to cut greenhouse gas emissions, but that has not found it favours in Harper's Ottawa.

#### 16. John Baird, Minister of Foreign Affairs:

Why should taxpayers have to pay for more than 10 reports promoting a carbon tax, something that the people of Canada have repeatedly rejected? That is a message the Liberal party just will not accept. It should agree with Canadians. It should agree with the government to no discussion of a carbon tax that would kill and hurt Canadian families.

#### 17. Narrator:

Presumably, Baird meant "kill jobs," not Canadian families, however given the government's penchant for rhetorical excess we can't be sure. But let's leave that aside. The main point is that the Harper government has decided to shut NRTEE down.

#### 18. John Baird, Minister of Foreign Affairs (continued):

Canadians rejected that policy when we won the 2008 election over the Liberals, who were then led by Stéphane Dion.

I think the last thing the government needs is to pay for another report encouraging a carbon tax when Canadians have spoken up definitively that they do not want a carbon tax.

I confirm that the government scrapped NRTEE because it didn't like the advice its members were giving.



## 19. Narrator

This is the Soviet approach to research: Politics and ideology determine the correct answer, and it is the researchers' job to prove that the correct answer is correct. Failure means Siberia. The references to "a carbon tax" are also misleading. The NRTEE insisted that putting a price on carbon emissions is by far the most effective way to reduce emissions (as virtually all experts in this field agree). But that could be done with a carbon tax or a cap-and-trade system — like the one the Conservatives promised to set up back in 2008.

## 20. Elizabeth May, Green Party leader:

I have personally tried to reach out to Conservatives in Parliament to debunk climate myths that I believe are being spread through propaganda funded by industry.

Of course there's a concerted global multibillion-dollar effort to lie about climate science. The biggest worry I have is the member of the Conservative caucus who doesn't understand climate science who is currently the prime minister. That's the biggest worry I have, because I cannot find any evidence that the prime minister of Canada has ever had a briefing on climate science from any of the prominent climate scientists in Canada, in or outside of government."

I hope to raise awareness among my colleagues that the window for action is closing based on projections that existing levels of pollution are already pushing average global temperatures near a threshold of two degrees Celsius above pre-industrial levels, considered to be a dangerous point of irreversible damage to ecosystems and the economy.

That Environmental Minister, Peter Kent had to debunk a fellow conservative's claim that climate change is caused by volcanos and not anthropogenic impacts suggests the government faces some internal obstacles preventing action.

The whole point of my starting this caucus with my fellow parliamentarians is to provide education. The first thing you've got to do is accept the science of climate change. If you can't agree to that, it's hard to move from there.

## 21. Gil McGowan, President of the Alberta Federation of Labour:

The Tories are allowing literally billions of dollars to slip through their fingers at the same time that they're saying we can't afford to keep schools open. It's outrageous. The Tories always talk about the need to run government like a

business. If a CEO was ever as careless with his company's assets as the Conservatives are with our energy assets, he'd be fired in a minute.

The Tories think they're smart because oil companies are lining up to get a piece of the action. But giving away your assets at bargain basement prices doesn't prove that you're smart; it proves you're a sucker.

## 22. Narrator:

They say, Canada needs the foreign capital to help us build infrastructure and to start projects which will create hundreds of thousands of jobs and billions of dollars in government revenue and trillions of dollars in economic development.

But how is that going to happen—except for further investment in the oilsands—when they let the investors take away the enormous profits that are going to be made and only a pittance paid back to the public purse? This ensures that there is no balance between investing in fossil fuel and alternative energies.

Following the current policies are just going to line the pockets of the 1%, foreign and Canadian alike; while the 99% will pay high gas prices, and still be locked into the fossil economy when oil prices start to soar in earnest on the backside of peak oil. The current government are not interested in getting a fair share of royalties or in other ways tax carbon and wealth, so that we can accumulate money to invest in the retreat from fossil fuels and create liveable societies with smart infrastructures.

Such investment is however where real job growth could be found, instead of let the 1% spend a growing part of society's resources on the obscene waste of conspicuous consumption that increasingly define North American capitalism.