

To Senators on the Senate Select Committee on Climate Policy,

Perhaps capitalism is sound in principle. However, its failure to account for environmental costs has corrupted both it and the environment. Emissions trading, like capitalism, is sound in principle. However, it is vital that it be kept sound and free of human vice if emissions trading is to work. If this occurs, Australia has an opportunity to lead the world in true capitalism and environmental change.

The foundation of capitalism is that all costs (labour, management, materials, advertising, intellectual rights) be covered in the end price of a product. However, the great oversight of capitalism has been that it has failed to account for its impact on the environment. Whilst some of the greatest debates of the 19th and 20th centuries have concerned capitalism's failure to account properly for worker's labour, and whilst this is still of the utmost importance, it is now time to force capitalism to acknowledge its debt to the environment.

Emissions trading is one way to account for the environmental cost involved in the production of end-products. There is a cost in using and producing energy, in pulling materials from the earth and ocean, in pumping pollution into the atmosphere. This cost has been overlooked by virtually all businesses for so long that capitalism is now in debt. Business is in debt in that it has prospered because of this oversight, but it is in debt also in that it must now pay back the environment.

It is simply not enough to continue to fail to properly account for the environmental cost of capitalism. That would be like using a cup to bail out water from a boat which is sinking by the bucket-full. It is a principle of capitalism - and its only future - to fully account for the environmental cost of production. Greed is not a capitalist trait, but is a human vice that will sink the ship. Greed is also what allows corporate executives to refuse to pay the environment for what they take from it, and individuals to refuse to pay more for a 'true' product.

I urge Government to be true to capitalist principle and force business to properly account for its costs. Yes, this would mean a rise in the cost of living, and in the cost of production, but that is the reality of the world we live in. To ignore that reality - or to partially ignore it - is to allow our own vices to corrupt capitalism and liquidate humanity.

Emissions trading may very well be the right path through which to force businesses to account for and pay for the environmental cost of their production. However, setting low targets is unacceptable.

Equally unacceptable is using tax-payer money to bail out the businesses with the highest environmental cost. This is an indirect application of capitalist principle where the end-user pays for environmental cost, but indirectly through the Government. The only result I can see for this is that the end-user becomes dissatisfied with both Government and Business, but - and here's the kicker - Government looks good to Business. Here is yet another example of human vice - a Government in search of Business campaign contributions - corrupting the principles of another system that is otherwise sound: democracy.

The end-user should still pay for the environmental cost of products they purchase (be it a car, petrol, electricity, an ipod or a computer), but they should pay only for the products they purchase. Emissions trading is flawed if all individuals are made to pay (through taxes) for the environmental cost of capitalism regardless of the products they purchase. Force Business to account for their own costs and factor that cost into their products. This is true capitalism producing true products, and individuals will have choice to purchase and pay for the environment, rather than being forced to pay.

I consider myself a philosopher and not an economist. However, philosophy is what we are all involved in as we attempt to restructure a collapsed economy in ways that can prevent similar crashes and corruptions in the future. I am more than happy to appear as a witness before the committee.

Yours Sincerely,
Benjamin Miller