

Self-Regulating or Self-Servina:
Market liberalisation and the environment:
the case of Mobil's Altona refinery

by Jonathan Bruce Tonge



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**This thesis is dedicated to the memory of Irwin Herman,
for without whom none of this would have been possible.**

A very special thanks to Jeannie Rea for putting up with procrastination and avoidance, plus being there to help and push me when I needed it most.

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Synopsis

This thesis examines how the balancing of economics, the market, individual participation and the environment is difficult in terms of trying to achieve emancipatory outcomes for all. There is no definite resolution, and none was expected for a topic such as this, as the outcomes are all compromises, but with possibilities for action through a pragmatic political system. Emancipation must be worked for in order to be reached and maintained via this pragmatism, with the hardest outcomes being that for the environment and participation by individuals. What is resolved, though, is that market liberalisation and strict regulation are not equitable solutions for the State to follow.

The thesis draws much of its source material from literature encompassing among others: economics, social movement, and the environment. Direct source material is drawn from information gathered on the petroleum industry, and Mobil's Altona refinery by Greenpeace, Melbourne in 1994 for an unpublished exposay report called "Feeding the Dinosaur. Global Climate Change, Self-Regulation and the Australian Oil Industry: a case study of the Mobil (Altona) refinery expansion."

In the Introduction the thesis explains as to why the focus is local and on Victoria; why the chapter themes of Participation, Survival and Emancipation were chosen; and the reason for examination of market liberalisation through the case study of Mobil's Altona refinery.

In the chapter on Survival, the basic requirement for continuing life on Earth is examined through the pollution record of Mobil's Altona refinery. This is found to not be adequately dealt with by the current system, or market liberalisation.

In the chapter on Emancipation a pragmatic balancing act is pursued in order to try and achieve emancipation for all. This was difficult in the light of the ability for Mobil to abuse its power under regulation, let alone a free-market. The emancipation discussed lay in means of forms of social protest in order to escape the problems in a capitalist society.

And in the Concluding chapter a struggle to resolve a solution that would aid individuals and the environment in achieving emancipation was enacted. This suggested that Mobil's actions transcended the local, and that it necessarily couldn't be implicitly trusted to protect society and the environment, thus ways of international pressure may need to be explored to deal with companies that crossed national borders and controls.

Self-Regulating or Self-Serving: Market liberalisation and the environment; the case of Mobil's Altona refinery

“Howowo ‘ai yeye ‘aiye!

It is a sacred house that I have come to,

It is a sacred house that I have come to, holaghei.

Now I have come to the house of the Earth”

(refrain from a song by Chief Hogan, of the Navajo people. In Knudtson & Suzuki 1992: 126)

Introduction

A frequently used phrase in the environmental movement is: “Think globally. Act locally.” To many people involved in the environmental movement this phrase has been generated in order to make environmental emancipation achievable for everyone. Specifically it signifies a paradigm shift from an overwhelming and inordinately large problem of the global, to a individual manageable and resolvable level of the local. This phrase is also an attractive slogan for the process of market liberalisation as it promotes local control and participation over enforcement applicable to local conditions.

Market liberalisation removes restrictions in the form of regulation from the control of government and the global, and puts it into the realm of the local; where a community or a business regulates themselves, and thus it could be called self-regulation. In terms of environmental protection self-regulation has major effects, with the responsibility being placed on participants within the economic sphere for the environment. These actions, however, do not

necessarily coexist and can be separated into economic interest and the altruistic interests of the environment. It is this dichotomy that initiated this examination into the ramifications of active self-regulation of environmental protection in Victoria, with the vehicle for this examination being the operation and modernisation of Mobil's Altona Refinery under two successive State Governments.

Mobil's Altona refinery was chosen as a case study as it plays an integral part in the clash between industry and the environment. The petroleum industry occupies an entrenched position in society with Australians consuming 108 million litres of crude oil per day, mostly in the form of fuel for transport (Australian Institute of Petroleum 1994). By contributing 26 per cent of all carbon dioxide emissions the oil industry therefore plays an important part in contributing to the Greenhouse Effect. In light of international commitments to reduce greenhouse gases such as carbon dioxide Mobil's refinery is one link where these reductions can be found by the government. As a large multinational corporation, however, Mobil's primary allegiance is to an international directorate, and not to the local people living directly around the refinery in Altona, thus there is a clash between the global and the local.

In the State of Victoria environmental protection comes under several acts of legislation, most prominently: The Environment Protection Act (1970), The Environmental Effects Act (1978), and The Planning and Environment Act (1987). These acts do not specifically use the term self-regulation, but do contain areas that specifically allow for flexibility and discretion in policy and implementation. It is the legislative framework in these acts that provides for

self-regulation. Some terms associated with self-regulation in these acts are “accredited licensee”, and “Environment Improvement Plan” (EIP) which will be elaborated upon in the chapter on Survival.

The structure of the thesis is driven by three themes which form chapters: participation, survival, and emancipation. As Robyn Eckersley argues (Eckersley 1992: 7) these are major ecopolitical themes that emerge from the literature; as aims and processes for marginalised groups to play an active part in society. It is important to note that these themes can be a process for environmental protection and thus necessary in exploring the validity of market liberalisation in environmental protection. The dominant society being examined is the political, economic and social culture of Victoria, Australia, with a recognition that it includes marginal groups. These groups in themselves are not insignificant, especially groups comprising women and the environment. The progression from thesis, antithesis and higher synthesis will show the need to include these groups within the debate; a policy of recognition and inclusion rather than exclusion.

This thesis does not pretend to deal with these issues on such a broad scale but rather aims for showing that a policy of self-regulation from free-market forces does not allow access to groups outside this dominant paradigm with this denial of access reinforcing inequalities between the producers, and the market. This is examined in the first chapter, entitled “Participation”, by looking at how the local community don’t have a say in the operation of the refinery. The chapter does this by first discussing market liberalisation, and what this means to Victoria in terms of allowing for participation. It then

examines how Mobil was able to deny participation in the planning approval process for the modernisation of the refinery under the current regulatory system.

In the second chapter, entitled “Survival”, the need for the environment to survive is argued. It then discusses this in terms of market liberalisation and the operation of Mobil’s refinery, with reference to the unenforced legislation in light of Mobil’s poor record of emissions breaches, and it’s attitude towards the environment.

This is followed by the third chapter, entitled “Emancipation”, which looks at ways the State, the markets, society and the environment can each find a form of liberation. The thesis concludes by examining practical ways of emancipation for all involved, plus ways of local participants dealing with Mobil’s problems and attitude now.

Participation

In Victoria the government, economic rationalists and free-market thinkers recognise that self-regulation is a necessary part of market liberalisation and progress. It is seen by these people that market forces are an adequate response to environmental protection; with the market determining what needs to be protected, and how this is to be achieved. The main assumptions that could be argued by proponents of the free-market is that consumers, who constitute the market, can readily participate if they choose in the direction of a company's operation and production.

Common terms used such as economic rationalism, free-market, market liberalisation and classical liberalisation are all closely related, but can be differentiated both in terms of meaning and application. The common thread that joins them, however, is the recognition of choice and determination by the individual. This defines classical liberalisation most closely: a term with broad application to equal freedom for the individual in all areas, but bound up in this is also a requirement for theory and application to deal with imbalances and inequalities (Charvet 1981: 96-102). Market-liberalisation and free-market theory narrow the focus of classical liberalism to view freedom and choice as being determined through the market, and for the market to be the great leveller of opportunity and inequality. Economic rationalism goes beyond these terms in applying specifically to the active process of creating a free-market system of no governmental restraints and regulation¹. It is a

¹ Emy (1993: 22) illustrates the creation of a free market with a description of the dismantling of protective and anti-competitive tariffs as "economic disarmament", causing business that couldn't compete against the world to close, or move off-shore to cheaper production areas.

simplistic term when applied currently as it represents a challenge to any government intervention whatsoever.

Between approximately 1760 and 1860 classical liberalism, or liberalism as it was then, was embraced by the dominant society in the English speaking world. Developing along with the industrial revolution, liberalism saw the increased opportunity that society was gaining by throwing off the yoke of a feudal society. A key proponent was Adam Smith, a philosopher, and importantly, an economist, for it was at this stage that economics developed from the management of a household (especially larger, wealthier houses), morals and propriety (Smith 1853) into the management of the monetary operation of a community or nation (Smith 1776). Bound up with classical liberalism are a lot of binary oppositions that arose from the stripping of economics back to the essentials to find how to make it work. This paradigm of creating binary linkages related to the sociological situation in Britain where the new, bourgeois middle class were the innovators and leaders, and not the self-serving aristocracy, royalty or parliament. Out of this developed “longstanding liberal suspicions of State power” (Emy 1993: 215). Significantly, however, the liberals of the 18th. and 19th. centuries also saw the social problems associated with economic freedom notably the exploitation of worker at the bottom of the economic scale, and the lack of opportunity to enact individual choice over survival. Thus, if an individual didn't like the work or conditions the only other choice was starvation and poverty.

Learning the lessons of the 1930's where the economic depression highlighted the inadequacy of the Australian Government to protect the lower economic

classes from poverty, starvation, economic hardship and exploitation through a lack of active economic management, guidance led to the development of a form of social liberalism in Australia. As the name suggests social liberalism promoted the individual while actively supporting the social. Practically social liberalism existed in various forms as governments changed and the world and national situations altered and evolved. Fortuitously liberalism, as a theoretical underpinning of capitalism, was never challenged as it found competition in socialism, as practised in the United Soviet Socialist Republics (USSR), and Eastern Bloc countries after World War Two, and thus seemed to offer the only solution that included freedom of choice. In this opposition capitalism had found a way of ignoring the problems in the economic and regulatory systems that started to develop from the early 1970's (Horne 1992: 4).

With the disintegration of the Eastern Bloc, however, at the end of 1988 followed by the USSR not long after, capitalism, and liberalism, could be excused for feeling vindicated as to their choice of economic and political models for society. As commentators such as Horne point out, the opposition seen in the USSR and socialist countries collapsed not due to the strength of capitalism and it's liberal base, but due to the inherent problems that it alone had created through it's own structure of the state (Horne 1992: 6-7).

By the 1980's a need was seen by some politicians, economists and business leaders for the altering of political and economic direction. This need arose out of the perception that Australia needed to regain economic strength in the world marketplace. What emerged was economic rationalism as a dominant force; offering seemingly simple and effective solutions to all problems.

Economic rationalism celebrated the triumphal roots of liberalism: the essential of free humans able to make their own choices. Interestingly Adam Smith is held up as an originator of the ideas behind economic rationalism despite the awareness Smith had of the social and moral aspects now being ignored by current classical (neo-classical²) liberals (Emy 1991: 10-20).

By ignoring clarifications, adjustments and recognition of moral inequalities embedded in society neo-classical liberals, as the economic rationalists are more correctly named, returned to strict fundamentals such as: the distrust of the state; complete in the individual; and reliance on the market to generate the change and development of society (Emy 1993: 109). Further clarification of the neo-liberal economic rationalism can be found in Emy's *Remaking Australia: The state, the market and Australia's future* where the connection is made between the liberalisation of the economy and the market, and the changes in values in society (Emy 1993: 109-110). The point to note is that changes to both the economic and social spheres are separate, but undeniably linked. This linkage is an active dialectical exchange where changes to economic policy and business strategy cannot be separated from changes to the values and structure of society. This inability to separate the two stems from the lack of knowing which change caused the other due to the interactive relationship between the economic and the social (in a capitalist society like Australia).

The practical application of this was agreement by the market liberalisation

² It can be argued that the term neo-liberalism is more appropriate than economic rationalism in an academic sense as it more accurately describes the active usage of the word. Effectively however both terms mean the same thing, with economic rationalism entering the vernacular to avoid the term "liberal" when being used by groups wishing to, for whatever reason, avoid being linked to a certain image.

proponents, including the Government, that Australia needed to: reduce tariffs; embark on financial deregulation, and the placing of the Australian dollar on the international stock-markets; enact competition policies to breakup monopolies; reduce the size of the public sector; and enact workplace reform in order to increase labour productivity (Emy 1993: 17-18). While the wisdom and merits of these actions can all be debated, changes to economic structures have necessarily altered the processes and psyche of society. In the media, economics was introduced and became significant with the floating of the Australian dollar in 1983, followed by banking deregulation (Perkins 1989: 8-10). This possibly³ led to an interest in the dollar as an economic indicator of the country, economy and the government. Whether or not this was the cause, the news changed focus to include financial markets and economic discourse. With this also appeared items on and about economic rationalism, privatisation, deregulation and related issues, with alternate views struggling to be heard. As Schultz notes (Schultz in Horne 1992: 84-96) the media scarcely acknowledged criticism of economic rationalism despite noted shortcomings, and this failure to debate the issues led to a “triumph of a minority intellectual tradition” (Kelly in Horne 1992: 85).

Interestingly economic rationalism as a term lost its usage in Australia following the reelection of the Federal branch of the Australian Labor Party (ALP) in March 1993. Despite being a key part of the economic rationalist push the ALP was not seen as the political party central to promoting neo-classical economic reform. This position was occupied by the coalition

³ My speculation as to causes, and a separate topic from this thesis waiting to be explored and is thus only supposition. It must be noted that whatever the cause economics and finance did emerge in the early 1980's as a significant part of the news, where it previously wasn't an issue.

between the conservative Liberal and National Parties. The central document of this coalition was “Fightback!” (Liberal Party of Australia 1991) a policy document that outlined the economic and social reform the Liberal Party were planning utilising economic rationalist principles. From this apparent defeat of pure economic rationalist ideas a new discourse was adopted in order for both the Liberal Party and the ALP to continue using the principles without an electoral backlash. Thus economic rationalism as a term was replaced by market liberalisation and free market. These terms, in effect, mean much the same thing - a push to making the marketplace the dominant instrument of social control and direction. The question arises as to whether the marketplace can deal with issues such as equal participation as differentiated from economic forces, and is addressed in the following sections.

Market Liberalisation as a force of Participation.

Playing an integral role in market liberalisation is the concept of participation. Put simply in this context participation is the active involvement of members of a community in decisions which affect them. When this is applied to market liberalisation the market is the means and arena for participation, and the practice of liberalism is the construct of allowing individuals the freedom to be involved. For market liberalisation to work both the market and liberalism have to, therefore, function accordingly. The guiding force in market liberalisation is the market; a construct of individuals interacting to continually correct the direction of the market. Thus if imbalance occurs, or the market is following the wrong course then correction is made by participants in that market.

Theoretically it can be argued that markets require participation in order to function properly. Most simply, if markets were comprised of no active members, or either the production or consumption part of the market didn't exist - the market wouldn't exist. Realistically markets necessarily exist in capitalist countries such as Australia, driven out of the needs and wants of consumption, and needs created by the producers, thus an economy driven by supply as well as demand. Using the analogy of a democracy further clarifies the functioning of an economic market. Through active participation change is enacted, allowing members of a market who want to participate to have a say as in democratic voting, but without apathetic members hindering action. This ability to participate in a free-market system it could be argued drives self-correcting and adaptable forces.

Self-correction could be considered the main selling point of market liberalism. To escape Weber's "iron cage of bureaucracy" and von Hayek's "government equates to serfdom" (von Hayek 1944), market liberalism offers the hope of self-correction via participation. In the process resources are freed from dealing with government restraints, such as regulation and planning procedures, and thus are able to be reinvested back into the market. Self-correction also presumes that the market is, and always will be, perfect. Therefore the question arises as to what happens if the market is not perfect, and is this the result of a problem with participation, with government, or with the producer that is driving the market.

Mobil's Altona Refinery as an exploration of Market Liberalisation

In this light Mobil's Altona Refinery is examined as an exploration of an imperfect market, in particular the process of modernisation and continued operation of the oil refinery in light of increasing market liberalisation and government deregulation. In April 1991, Mobil Oil Australia Ltd. (Mobil) announced the process of modernisation at their Altona refinery.

This announcement was in line with oil industry trends of investment in new equipment over the 1980's (Mack et al. 1994). This investment by the major oil companies was to maximise feedstock and refined product flexibility. Put simply, to not waste the input of raw and unrefined "feedstock" oil, and to produce a flexible output of as many refined products as possible from varying qualities of crude oil. The Oil Producing Exporters Cartel (OPEC) countries of the Middle East still maintained their strangle-hold over oil production, which has led to a dependence by oil companies (refiners and marketers) on this oil, despite massive investment into other oil fields since the oil crisis in the 1970's. This led to a massive oversupply of crude, unrefined oil and plummeting world prices (Mack et al. 1994).

It is in this atmosphere that in 1988 the Federal Government in Australia deregulated the refining and marketing of crude oil. Integral in this deregulation was the abolition of the indigenous Crude Allocation Policy that required refiners to buy local crude oil (Petroleum Gazette 1992/3). Due to the low world prices for crude oil and the lifting of import conditions the oil refineries in Australia were able to source their crude oil from the cheapest

supplier. This meant that the majority of oil now came from the OPEC countries, but in the form of “heavy”, or high sulphur content crude oil. As this oil requires further refining, and produces a lower percentage of highly refined petroleum products, it is a cheaper oil on the international market than the “sweet”, or low sulphur content crude as produced by the Bass Strait oil fields which had kept Australia largely self-sufficient for the past twenty-five years (ESSO Australia Ltd. 1991). With this change to a variety of heavier feedstocks, and not just Bass Straits sweet crude oil, Mobil planned to upgrade key parts of the refinery, as well as adding new units, most specifically sulphur recovery units to handle the heavier crude oils (Mobil Oil Australia & Kinhill Engineers 1992: 4).

Not officially stated by Mobil or the government at the time was the need to upgrade the refinery as it had reached its working and economic lifespan of twenty years, with some parts of the refinery dating back not to 1970 and the last modernisation, but to the initial construction in 1949⁴. For the modernisation process Mobil had to deal with the State Government in order to get planning approval for the \$1 billion modernisation⁵. At the time of the approval the Labor Premier of Victoria was Joan Kirner who was trying to rescue her government from a financial and political mess. Thus the lead up to the state elections on 2 October 1992, which was fought and won by the Opposition, the Australian Labor Party were operating in damage control mode and trying to attract any votes they could. To the Kirner government a

⁴ The economic life span of the oil refinery was estimated by comparisons to previous modernisation processes undertaken by Mobil Altona. The first was 1969-1970 twenty years after inception, and the second twenty years after that. This also correlates with the modernisation of Shell's Geelong Refinery as a twenty year gap (Mobil Oil Australia & Kinhill Engineers 1992: ix)

⁵ Approval at a company level comes ultimately from Mobil's headquarters in New York.

big boost to the state in terms of both jobs and money was likely to help election chances. Thus claims by Mobil of 500 jobs required for construction and 14,600 jobs to be created, both directly and indirectly after modernisation (Mobil Oil Australia & Kinhill Engineers 1992: x 6) were seized upon by the government as necessarily a good thing.

The process established by the state government to aid the approval of modernisation involved the Major Industrial Project Facilitation (MIPF) unit of the Department of Manufacturing and Industry Development (DMID), and an independent review panel. Note must be made that government departments such as the Victorian Environment Protection Agency (EPAV) and the Occupational Health and Safety Authority (OHSA) were not key players in this approval process, despite their inclusion in state planning legislation by not being included by the MIPF unit. The MIPF unit was specifically set up by the Department of Business and Employment in order to facilitate approval processes such as Mobil's modernisation. The unit had direct access to Cabinet (Leeson 1994) unlike various other government departments (EPAV & the Occupational Health and Safety Authority), and part of the facilitation process enabled the bypassing of these departments if the cabinet, or the Minister for Planning considered that there was no need to involve a department without need. Highlighting the influence of the MIPF unit a paper supporting the approval found cabinet support on 11 June 1991 (DPH 1991) at the very outset of the planning process

Participation by government departments was cut even further at the same

⁶ Roman numeral as a page number, as used in the executive summary of the report.

Cabinet meeting when the Minister for Planning exempted himself from the whole planning process through section 20 (4) of the Planning and Environment Act 1987. This meant that the Minister was the sole authority able to judge and decide on the merits of the approval process. This power now vested on the Minister for Planning is highlighted by the ability for local authority over a section of land being removed and placed under direct control of the State Government in August 1992⁷, and by having the final say in the approval process; thus having the ability to grant or deny approval at any stage.

In an interview with Marioli (Marioli 1993: 120-127)⁸ the then Premier, Joan Kirner, when asked whether the government ever considered rejecting Mobil's plan she stated a definite "No" (Marioli 1993: 121) despite holding some misgivings about aspects of the project. A compromise was made for the sake of trying to deal with issues by forming an Independent Review Panel. This review panel broke with the process of mediation established by the Cain/Kirner ALP government, of trying to achieve an all win solution for all participants. What was established instead was a one person panel, the sole member being Professor Michael Webber who was, "operating within the specified terms of reference which didn't ask whether or not the project should go ahead" (Marioli 1993: 128). The idea for the review panel was to construct a guideline of possible modifications to the modernisation proposal, but not to review the decision for approval.

7 see Planning Amendment

8 Interview undertaken for a Master of Urban Planning research project into the mobility of capital intensive industries like Mobil.

Participation by the community/local market in the Review Panel proceedings was encouraged with the release of an information and issues paper containing the proposed plan plus four optional layouts (Victorian Government 1991). The local community and concerned groups were requested, as part of this information paper, to provide written submissions to the review panel concerning the modernisation plans and were given until 3 February 1992 (from the end of November 1991) to respond (Victorian Government 1991). The Review Panel also responded by speaking to the community, Mobil and the Government bureaucracies once in early February, and another in April (DMID 1992). The findings reflected the concern from both the community and several government departments⁹. This concern was highlighted by recommendations that included a risk assessment by the governments Occupational Health and Safety Authority, contribution by Mobil to the financial cost of moving the rail line, and an Environmental Impact Assessment (DMID 1992). The Review was completed on 30 April 1992, and in July 1992 the MIPF unit tabled a cabinet paper for approval by the government. This approval was given, but it must be noted that it did not follow the Review Panel's recommendations, in particular the need for Mobil to provide an adequate buffer zone between the refinery and residents, necessitating the acquisition of land, and the need for an Environment Impact Statement (EIS) (DMID 1992).

What this process shows is that despite safeguards in legislation and policy the government is still able to bypass them. The implications of this is that the participation by individuals in this process is thus restricted to voting in

⁹ Concern was expressed by the EPAV and OHSA, while support was given by DMID and DPH.

elections. This can provide empowerment for both the people and the government, but in the absence of any real alternative¹⁰ the public were restricted to voting for pro-Mobil governments (ALP and Liberal). An issue such as Mobil's modernisation in reality could be considered a factor, but it doesn't form the criteria on which people would determine their vote.

Mobil, and Local Participation

Mobil established a Community Liaison Committee (CLC) in early 1990 (Mobil Altona Refinery 1991) to allow local residents to participate in the refinery's operation. As outlined by the first meeting and community bulletin, Mobil and the community had difficulty communicating after years of longstanding distrust of the company by locals (Mobil Altona Refinery 1991). The participation process through the CLC encountered difficulties out of the control Mobil had over the supply of information. Highlighted by a CLC meeting (Mobil Altona Refinery 1993a) the local residents were frustrated by inaction and ignored complaints arising out of the lack of legal obligation to provide information or to respond to complaints. In order to lift their technical knowledge required to deal with Mobil's trained engineers and government bureaucrats, the community tried to bring in an "informed voice" to aid their understanding of the issues. This was denied on the grounds that only local residents could attend, and not in any formal capacity, despite the experts used by Mobil in their negotiations with the residents. (Whittington 1993)

¹⁰ The Liberal Party that was voted into power did not openly oppose the modernisation and went further to pass amendments to the Planning and Environment Act restricting the community from planning processes in "as of right" zones (Private property and specifically zoned areas) and for works of minor alterations (unspecified) (Planning and Environment (Amendment) Bill 1993)

The failure of the CLC process is highlighted by the withdrawal of local participants to the extent that by December 1993 only two residents were available to sign the Environment Improvement Plan (EIP) despite six signatures by locals allowed for on the document. (Mobil Altona Refinery 1993b) In a free market situation, such as the CLC, where the only real influences were the local residents and the company a denial of real participation is displayed through the ultimate power vested in the company in terms of the control of the agenda, access to information and the lack of obligation by anyone for anything.

Mobil the Multinational Company and Participation

Taking an international perspective, Mobil is a multinational corporation dealing with many regional areas, but with control from the central headquarters in Fairfax, Virginia, USA. For participation through markets, an individual participant is not only a member of a local market, like that of Altona, or of Melbourne, but also wider to the state, country and world markets. Even if participation in these markets is assured there is a lack of power for the individual stemming from the percentage share of the market the individual comprises. Rather power is vested in the corporation, such as Mobil. This is reinforced by Offe (In Marioli 1993: 99) who claims that modern governments are heavily reliant on business. Thus for a business like Mobil which is not truly mobile¹¹ it is not likely to remove its support from the government and relocate elsewhere¹² (Marioli 1993: 99-101).

11 Mobile meaning able to shift production at will

12 The threat of relocation could not in any way be substantiated that it would, or could occur .

For an individual to influence the market on such a large scale would require mobilisation of sufficient numbers to affect company operations. In a potential world market of 4.5 billion people even 18 million in Australia seems like an insignificant number. These sort of figures can highlight the control able to be exhibited by a company like Mobil, but in reality it is through governments and regulation that the only real forms of control of operations can be found. As highlighted by the CLC and Review Panel processes the individual only really has a say in the government electoral process. In an economic environment of regulation like this, therefore, individuals have very little influence over Mobil, then in a free market situation with no government restraints, participation is effectively lost with the removal of the elected government from influence.

Survival

“Death is what men [sic] want when the anguish of living
is more than they can bear”
(Euripides c.425 B.C. **Hecuba**)

This line of verse can be read as apocalyptic; when the world is destroyed and all we have left is money, will we want death? The central theme proposed by this is that the natural world is part of the quality of life and that its protection means not just the survival of the plants and animals, but of the human race. Thus, the term survival is not used lightly. Rather it is a core value being attributed to society and all people.

In this chapter survival is addressed as being part of both anthropocentric and ecocentric thought and as such it is an issue that needs to be considered in planning and development projects within society. This is dealt with specifically by examining Mobil’s Altona refinery modernisation approval process, and the place it occupies within environmental issues for the world.

A classic Darwinian response to survival may be that if *homo sapiens* are the only survivor then so be it; such is natural selection. Thus if the natural world cannot assert its rights in the market-place via consumer action, then it has no place in survival. This assumes, however, that the natural world fits the constructions of economics and company profits; that the consumer can combine nature with their struggle to survive life economically and physically. Taken at another level this equates humans as being the sole centre of the universe, and portrays them as the sole determinant of life: as

anthropocentrism.

Anthropocentric thought contains humans and the human world: money, society, machines, technology, possessions and people. Anthropocentrism is more specific than this as it is a focus on the reason for life as being essentially and necessarily human. To challenge anthropocentrism is to take something else into account as central to life. This shifts the human being out of the central focus and places them as sharing a part of the focus, or even further towards the periphery. Robyn Eckersley discusses overriding paradigms such as anthropocentrism in her book “Environmentalism and Political Theory: towards an ecocentric approach” (1992) charting the strengths and weaknesses; not only of theoretical, but also practical approaches. While arguing for a shift from anthropocentrism to ecocentrism Eckersley is in a way just replacing the human world with the natural world, and by doing so places varying values on different aspects. There is an effort by Eckersley to withdraw from binary discourse and celebrate an inclusiveness, and by doing so uses ecocentrism as a classification that can bind both left and right perspectives under a common banner. Ecocentrism is qualified by Eckersley, however, as nature being the dominant paradigm in which social and political paradigms operate within. Thus, while varying degrees of ecocentrism are possible, it is still set up as opposed to anthropocentrism (Eckersley 1992: 27-28).

Eckersley’s book is important to both emancipatory movements and academia as it explores and gives an insight into vast and encompassing paradigms for which other social theory is just a subset, and thus creating the variations within ecocentrism and anthropocentrism. As such ecocentric and

anthropocentric thought deals with issues of the foundations of theory at its base level, noting that such broad schools of thought like Marxism have anthropocentrism as a core value. Even the branches that make up eco-marxism are also essentially anthropocentric through causes and solutions being derived from economic and societal order through capital (Eckersley 1992: 82-93).

Coming close to an inclusive paradigm Eckersley discusses ecoanarchism as a possible reorganisation of thought (Eckersley 1992: 170-178). Despite similarities to postmodernism in that individuals are rich sites of meaning, dissemination of ideas and change, ecoanarchism differs by seeing a “cooperative, social self” (Eckersley 1992: 176) as opposed to a post-modern rejection of “grand narratives and embracing of post-enlightenment “anti-humanist and anti-rationalist” ideas (Frankel 1992: 176). Ecoanarchism also includes the components of the environment as participating, and being allowed to participate in this rich cultural exchange between individuals. For ecoanarchism to work individuals would require the freedom to undertake spontaneous actions (Eckersley 1992: 170), and social control would be through a common spontaneity. Common spontaneity is the decision to do something by a group of individuals out of each’s own free will. This could be compared to a free market where this common spontaneity is expressed through market participation: consumption or production. The important difference is that ecoanarchism doesn’t just deal with an economic majority, but also an intellectual majority, and relies on the assumption that “humans are naturally cooperative” (Eckersley 1992: 171) and will thus help each other in

achieving a goal. As such ecoanarchism could be seen as a “solution” to societal organisation but with this comes similarities to the free-market in that there is nothing preventing someone who can wield more power, like Mobil, from abusing that power, and thus disrupting the trust required to make ecoanarchism work.

The core value of Eckersley's debate lies in the need for the environment, as well as the human world, to survive. This therefore plays a greater importance to Eckersley, transcending dry academic argument by bringing into the discussion passion and care. Eckersley's argument draws on the emancipatory movement of feminism with its critique of the base level of thinking, and challenge to the existing, dominant order. This tradition of social critique by feminism can be said to be exclusive as it promotes only women, and not universalist like the Green movement is portrayed as being (Burgmann 1993: 187). This argument is tenuous as it tries to claim a universalist voice of feminists, or environmentalists. Bahro (as quoted in Burgmann 1993: 187) states that the German greens are fundamentally opposed to: “the now clearly and markedly self-destructive, outwardly murderous and inwardly suicidal character of our industrial civilisation, and to its institutional system which is geared to continuing in the same old way.” This expression of a core value in an influential environmental group is a selective representation that could be construed to represent environmentalists as a whole. As highlighted by Eckersley environmentalism, and the same could be applied to feminism, is highly divided within itself in terms of aims, objectives, experience and methods. This diversity is both positive, and

negative; allowing for the individual as a valued site of information and experience, while lacking the cohesion to form a decisive and singular voice, and thus enabling both anthropocentric and ecocentric environmentalists to exist together in one movement..

Recognising this diversity within environmentalism the approach to the environment in Australia is that of the need for survival and the sustainability of life, as introduced at the beginning of the chapter. The relevance of this approach is displayed by the public face the Government uses when discussing issues¹³ thus the level it must “politically” feel secure with, and therefore the level at which it must be examined in order to make any profound effect. Thus, in the next section the Greenhouse Effect is examined as a public issue faced by the government, and enacted at International, Federal and State levels, and highlights the problems global warming plays in our survival.

The Greenhouse Problem, Australia and the State of Victoria.

In 1990 the United Nations (UN) Inter-governmental Panel on Climate Control (IPCC) released a report signed by 300 scientists which predicted an average global temperature rise of almost three degrees Celsius over the next century due to the greenhouse effect. (IPCC Working Group 1 1990) The significance of this report was not just the physical outcome but in the recognition and validation of the warnings by other individuals and groups by a recognised world scientific body. Technically the report is not one-hundred percent conclusive as it’s detractors could point out, but the findings represent

¹³ The Earth Summit in Rio,ESD, and the NGRS were all initiated and participated in by the Federal Government as arenas for caring about the survival of the planet, whether due to political motives or moral consciousness.

not just fact, but a political statement; a warning by experts, not just a commissioned bureaucratic report. The physical implications of this report are illustrated by Greenpeace's study of environmental records (Greenpeace 1994), both human and natural which have illustrated that rises of one-tenth of a degree Celsius per decade (one degree Celsius per century) have caused major ecological trauma (Greenpeace 1993). Notable examples of rising temperatures are highlighted in the recent records¹⁴ reinforcing the IPCC predictions on the extent of global warming due to human pollution, leaving a problem that transcends the initial effects of industrial emissions¹⁵.

The key component to global warming is "Greenhouse"¹⁶ gases, of which carbon dioxide (CO₂) is a significant component. These greenhouse gases come from both natural and human¹⁷ sources, and are part of a cycle of release, like methane from cows, and take-up, like the absorption of CO₂ by the world's oceans. This cycle is documented to have been stable for CO₂ so that at any one time before the industrial age 580 million tonnes of CO₂ could be found in the atmosphere. With the addition of an extra six million tonnes of CO₂ currently being contributed annually by the trappings of the industrial

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- The eight hottest years on record have all occurred since 1980;
- 1990 was the world's hottest year since human records began;
- 1991 was the third hottest year despite the cooling effects of the Mt. Pinatubo eruption;
- Permafrost in Canada was 1.5°C warmer in 1992 than in the 1970's, Spring temperatures were warmer, and the ice season ended significantly shorter.

(source: Greenpeace 1994)

15 Initial effects refer to temporary problems of noise and odour, as well as health risks to individuals associated with pollution. Long term views would consider effects to people and the environment over extended periods of time.

16 generic term used to denote gases that promote global warming by trapping heat like the glass walls of a greenhouse.

17 Human society has produced increasing volumes of Greenhouse gases especially since the industrial revolution. These gases are produced beyond the natural emissions, such as methane, that human bodies naturally contribute to the atmosphere.

world to this cycle the levels have risen to approximately 750 million tonnes, with hints of a logarithmic increase in levels as the CO₂ sinks¹⁸ can no longer cope with the increasing volumes of CO₂ produced (Greenpeace 1993). With 54 per cent of total CO₂ emissions in Australia coming from cars and a further 27 per cent from light commercial vehicles and trucks (Commonwealth of Australia 1991) it is easy to see the major contributors to the greenhouse problem. Only one per cent of transport energy requirements are sourced from non-petroleum products (Commonwealth of Australia 1991) highlighting the dependency on oil and its importance to society today.

The implications for Victoria are significant if the state is moving towards a smaller government under market liberalisation. Technically market liberalisation means the correction of market actions, such as fossil fuel usage, by the market. Taking into account the findings of the IPCC, and climatic records this political stand by the IPCC should have had an impact into the oil industry through the operation of market liberalisation. Despite a slowing of emissions directly after the IPCC report in 1990 these emissions began rising again prompting another report in 1994 by the IPCC charting this rise, and outlining the alteration in temperatures, rainfall, and rising sea-levels (Kelly 1994 & Schoon 1994).

Operationally Victoria has in place three acts of Parliament that play a major role in the environment. These are: the Environment Protection Act (1970), the Environmental Effects Act (1978), and the Planning and Environment Act (1987). Essentially just a framework to operate within, and to provide a final

18 areas that absorb CO₂

safeguard for the environment, these acts are made functional by the relevant government departments with specific guidelines set by policy. It is through this policy that both Federal and State governments control levels and requirements to be met by society.

Federally the issue of the greenhouse effect has been dealt with on several levels. In 1990 the government adopted an interim target to stabilise greenhouse gas emissions by 2000, and cut this to 20 per cent of 1988 levels by 2005. These targets fed into the Ecologically Sustainable Development (ESD) process¹⁹ established to chart a way forward for both industry, business and the environment. The ESD working group for transport noted that a 42 per cent reduction in levels was required to meet the targets, but interestingly recommended strategies that would only achieve a 15 per cent to 30 per cent reduction in emissions (Commonwealth of Australia 1991). In 1992 the Council of Australian Governments²⁰ meeting approved the National Greenhouse Response Strategy (NGRS) incorporating ideas from the ESD process, and the UN Convention on Climate Change (the Earth Summit in Rio) in June 1992. The NGRS echoed the ESD report on Transport by adopting a strategy that provided for environmental control, only if it did not effect Australian trade and economic activity (National Greenhouse Steering Committee 1992).

By being a signatory to the NGRS the Victorian Government was obliged to

¹⁹ Nine ESD working groups were established in order to advise on the direction government should be taking in various sectors of the environment and business. The working groups comprised bureaucrats, business lobby group representatives, and environmental lobby group representatives. This was made possible by the funding by the Federal Government to support the participants during the process.

²⁰ Comprising the Federal Government and the state governments of Australia.

incorporate reforms to ensure that emission targets were met. The Victorian Transport Externalities Study (VTES) was established in 1992 in a similar vein to the ESD process at the federal level. Like the ESD report the VTES acknowledged the need for reductions in emissions to 20 per cent of 1988 levels. Going beyond ESD the VTES adopted a “no regrets” strategy of trying to achieve a net economic benefit. While it must be recognised that economic gain is not necessarily unsound, the VTES projected costs of up to \$3.5 billion to the Victorian Government (EPAV & BTCE 1994, & EPAV & Government of Victoria 1994) as part of its argument for not adopting regulation to reach the desired target reductions. These costs estimated were highly selective and based on the loss of revenue if petroleum products were severely limited in terms of sales, and not an outlay of money by the government. It could be said that the VTES was incomplete by ignoring both public transport and alternative, non-fossil fuel based energy sources²¹. This aside, the VTES made no specific policy recommendations, and no obvious changes to the policy administration bodies such as the Environment Protection Authority of Victoria (EPAV) have resulted as a direct action from the ESD / NGRS / VTES process.

It is significant to examine environmental regulation as it pertains to Victoria as constitutionally the Federal Government (the Commonwealth) “has no explicit legislative powers over conservation and the environment “ (McMillan et al. 1983: 85). Thus Victoria, like all other states, is the primary source of regulatory control and change within the environment. This draws into

²¹ Shell Australia, the National Road Transport Commission, the Australian Road Research Board and Vic Roads were among the acknowledged sources of advice for the VTES. No mention was made of any alternatives to road based transport or fossil fuels - the acknowledged sources were all major players in the road/oil, business sector.

question the validity of international agreements by the Commonwealth, whose source of power lies in gaining agreements from all states, as in the NGRS, and through the supply of funds to the states²². The argument that the constitution requires changes to give the Commonwealth power, or the validation of international treaties through the constitution is beyond the scope of this report, and thus is not dealt with in detail apart from the qualification that it is through the states that current power lies in environmental regulation.

Under the Environment Protection Act (1970) definitions and conditions are outlined for the provision of an approved government agency to administer. In this case it is the EPAV who set levels and enforce the act. What has developed in Victoria follows the ideology of market liberalisation by providing companies access to a self-regulatory system that bypasses the limits and measurements of the EPAV. Some industries have established specific regulating bodies to administer and enforce limits. This is opposed to the State setting a code of practice, and relies on companies to be able to work together. For Mobil's Altona refinery self-regulation is slightly different in that the EPAV sets a standard for the site²³, and the company is then responsible for management and control. There are two important differences to regulation by the State: Mobil has played an active part in determining adequate levels, and has negotiated changes to these levels with little resistance; and Mobil is the organisation who manage and report on the testing equipment for measuring waste output levels.

22 The halting of the Franklin Dam is probably the most famous example of the Federal Government blocking supply in order to achieve environmental changes and influence.

23 For example the Waste Discharge Licence EA 38/5 established through the State Environmental Protection Policies.

Mobil's Operations of Self-Regulation as a recognised "high environmental performer"

The environmental regulation of Mobil's Altona refinery falls under section 26 of the Environment Protection Act 1970 as an accredited licensee. This effectively means that Mobil is recognised as consistently maintaining agreed levels of emissions or actively reducing these levels. Under section 26 Mobil must demonstrate a "high level of environmental Performance"²⁴ and an "ongoing capacity to maintain and improve environmental performance"²⁵. In an effort to meet these requirements Mobil developed an Environment Performance Plan (EPP) with the aid of the EPAV (Robinson 1987). What was suggested by the EPAV was a committee involving local residents, local council, Mobil and the EPAV, in order to conform to Environment Improvement Plans as outlined by Section 31c of the Environment Protection Act. This was rejected by Mobil as it did not want to be accountable for any actions affecting the viability of the refinery to an external body (Waters 1988). What was developed was the Environment Improvement Plan (EIP) (Mobil Oil Australia & Kinhill Engineers 1992: 98-102), which existed in two forms: one for the public, existing as targets set and discussed in the Community Liaison Committee meetings; and one to satisfy the requirements of the Environment Protection Act, but existing as levels and targets suggested by Mobil to the EPAV on the emission levels of pollutants released by the refinery. The benefit of the EIP as it was developed by Mobil was that the "public" plan was not legally enforceable, nor accountable to any external²⁶

24 Section 26 (1a) of the Environment Protection Act

25 Section 26 (1b) of the Environment Protection Act

26 External from the company.

body. Mobil is accountable to the EPAV as the government authority that manages the policy linked to the Environment Protection Act²⁷. It is this authority that can recommend a licensee have their licence suspended, and yet despite 221 breaches²⁸ in the air licence alone between 1986 and 1991 (see bibliography of breaches) no prosecution for a breach has been made by the EPAV or the government.

While strictly speaking Mobil is not governed by official “self-regulation” policy these breaches put into question the regulation process as it applies to the environment. The problem lies with the EPAV as the government “authority” as the Environment Protection Act states in section 26e that the “accredited licensee [Mobil] must satisfy the Authority that the requirements... are met” plus section 31c which states that an EIP should include that “relevant state environment protection policy, industrial waste management policy, regulations and licence conditions must be complied with” neither of which have been complied with by Mobil, or acted upon by the EPAV.

The form of self-regulatory response by Mobil is to consistently claim that state environment protection policies have limits set “too low” for the industry to comply with (Whittington 1989). These limits were set specifically for Mobil by the EPAV, and did not apply to any other company. The salient point to note is that Mobil negotiated these limits initially before claiming that

²⁷ The State Environment Protection Policy (Waters of Victoria); the State Environment Protection Policy (The Air Environment); the State Environment Protection Policy No. N - 1 (Control of Noise from Commercial, Industrial and Trade Premises in the Melbourne Metropolitan Area); and the Industrial Waste Management Policy (Waste Minimisation)

²⁸ These breaches are the known breaches, which is significant as Mobil does its own monitoring. The EPAV records also show that Mobil’s monitoring equipment also has a high rate of in-operability, particularly on the days that local residents have reported larger than normal emissions.

the EPAV had set limits too low to viably meet.

This shifting of blame for emission breaches followed complaints by the EPAV that Mobil's monitoring of the emissions was not adequate, with the worst case being four recorded days of measurement where there should have been 91 official measuring days (Horsman 1989). Along with this complaint were allegations by the EPAV that noted incidents of unusually high emissions were never recorded or recognised by Mobil.

Market Liberalisation, Survival and the Problem of the Environment in this Paradigm

Despite the various state acts to protect the environment and regulatory bodies like the EPAV Mobil demonstrates the conduct of a corporation unfettered by strict emission limits. As a major contributor to greenhouse gas emissions, as well as other harmful substances such as benzene²⁹ Mobil shows the ineffectuality of the current situation as it exists in Victoria to protect the environment over the drive for profitability. Like the denial for participation market liberalisation would not be able to enforce a company such as Mobil to shift the paradigm from economic motives (profit and employment as found under a capitalist system) to a paradigm that includes a desire for leadership in changes to protect the environment before it is too late to do so. This can be seen in Mobil's unwillingness to change despite the growing support and awareness of the problems the environment is facing.

²⁹ Mobil emits 9.4 tonnes of benzene daily into the atmosphere. benzene is recognised by the World Health Organisation as being highly carcinogenic, and having no safe threshold limit. (EPA 1991)

To recap on this chapter, we can achieve some sense of the ineffectuality of market liberalisation to be the “solution” in terms of the need for survival. Therefore a shift in thinking may be required by those in positions of power - they are still able to stop the money supply to Mobil if they revoke its operating licence. Whether this could be achieved through electoral power will be examined in the next chapter, but it could also possibly be achieved through an adoption of ecocentric ideals as discussed by Eckersley; a task of reordering the reality of society, the examination and discussion of which is a separate, and very large topic, and which I will also presume will have to include a detailed study of the media, which is outside the set boundaries for this thesis.

Emancipation

“The fish, by struggling in the net hampers itself more”
(Fuller, T. 1732. **Gnomologia** #4534)

Emancipation lies in the desire to be free from the constraints and control of life (OED: 802)³⁰. As an all encompassing term emancipation can apply to the achievement of a goal towards freedom. As Berger and Luckmann (Berger & Luckmann 1985) could point out this goal is entirely subjective, not only for every group, but for every individual, for they all have their own reality as to what freedom is. Thus when approaching the idea of emancipation of the State, one must recognise the balance to be achieved in terms of emancipatory outcomes, and that emancipation cannot be achieved by all people at all times. Through the environmental crisis of survival emancipation has been examined in a fresh light (Bahro in Eckersley 1992: 19) What existed previously was an association of emancipation for all through “emancipatory” movements, linked to material expansion and anthropocentrism. The new perspective examines emancipation rather through the ability for life, and the quality of life for all living things.

The aim of this chapter is to examine whether market liberalism is a solution for emancipation, and if not to explore ways of achieving this. It does this similarly to the previous chapters by using the example of Mobil’s Altona refinery as a base for discussion, as well as using the previous themes of

³⁰ The Oxford English Dictionary has been used specifically to escape from connected meanings and subjective usage.

participation and survival to explore emancipation

Practically emancipation has come to mean not just an ideal but also the way of achieving that goal. This is not to take away from the base level of the achievement of liberation, for to reach this goal one deals with not just a static definition but the active meaning: emancipation as a process of reaching freedom and liberation. Thus by using emancipation as a process for liberation the linkage can be made with groups trying to achieve their own freedom from an oppressive force, or to maintain that freedom. The social movements that developed during the twentieth century, particularly the 1960's and 1970's, have roots that can be traced back through history. Each group dealt with emancipation, but in a way previous groups had struggled for: emancipation through an ability to participate. This participation was an empowerment through an ability to be heard en masse as opposed to earlier movements, such as Christianity, that were formed and existed initially in a world socially constructed as singular, hard to change, and opposed to access. Melucci argues that through the complex systems developed in society humans are both autonomous, and requiring of personal space, and thus dependent on society for support in dealing with the complexity and volume of information (Melucci 1989: 12).

This leaves the emancipation of Victoria at the end of the twentieth century in a complex situation. Melucci recognised that the State plays a vital role in maintaining the balance of personal and institutional; protecting both the individual, and the working world from each other. It is through this mediation process that emancipation cannot truly be seen as the higher

synthesis of an idea. Thus emancipation is not a Hegelian process (Charvet 1981: 117-134) of challenging, and then transcending the current situation to a final solution but is rather an evolving ideal not only present as finality and resolution, but providing leadership and direction to provide a continuance of society. This is not easily resolved as each individual is bound up with many intersecting paradigms. Looking at Mobil, three intersecting paradigms are selected from a range: the environment, participation and the market. These items are explored for a greater understanding of the process of emancipation.

Exploring Emancipation through Mobil

Taking cues from the need to survive (previous chapter) the emancipation being examined³¹ around the Mobil issue lies in the ability for individuals to be sure that their future is assured, and will have a viable quality of life. For the local residents this means making Mobil accountable for its actions, and ensuring flexibility to adapt to changes to the world. For the government emancipation means an ability to maintain economic growth combined with adaptations to industry practices to ensure the long term viability of the state. For Mobil emancipation could mean the increase in revenues in order to please shareholders, and their parent company, *Mobil International*.

The desire for equal participation has links to the prominent social movements of the 1960's and 1970's, which protested about a redressing of the inequalities seen in society. By using an American Pluralist paradigm of viewing society as competing pressure groups, "more or less equal in their jostle for position and

³¹ These listed emancipatory themes are not definitive and are used to illustrate the incompatibility of various emancipatory participants

influence” (Burgmann 1993: 9) a sense of an ideal might be achieved: the equal ability for groups to participate in society. This view is inherently flawed in practical terms as it does not deal with the control over power, both subtle and blatant. To achieve some sense of the emancipation of participation in society must therefore address this issue of inequality and power.

Barry argues that it is not just choice, and an ability to participate, that determines an outcome of an individual's life, but also that of chance (Barry 1991: 142-158). This sort of argument presumes that life's outcome is able to be determined by a simplistic choice-chance approach despite trying to balance proportions of the two. Thus by using this approach one may be able to say that choices were restricted (chance) or that the individual was able to a clear and unbiased decision. As with the American Pluralist model this choice-chance model does not effectively deal with practical problems of inequality within society.

A key theorist in examining social inequalities and practical resolution is Karl Marx, who might see the development of emancipation as coming from a revolutionary awareness that has developed out of a growing working class. Through increasing disempowerment the working class finds itself having developed the necessary consciousness, driven out of the social existence, to achieve empowerment and active participation through mass action (Banks 1972: 45-46). If this occurs as Marx postulates then this could be a possible outlet and point of temporary resolve for allowing equal participation and gaining emancipation. To follow this through, however, does not require organisation and planning, as well as necessarily falling back into inequality

with shifts in power reoccurring within society. Thus Marx's ideas on this redress of power and equality can play an important part in a long term situation of wide inequalities that have developed to a revolutionary climax. It does not help those people between these corrections in the balance of power, and thus we must look elsewhere for a continuing emancipation.

For local residents surrounding Mobil's Altona refinery emancipation cannot be said to be driven by a singular social movement. The diversity amongst the local participants is clearly shown by the response to Mobil and the neighbouring chemical complex with the formation of overlapping community groups dealing with essentially the same issues, but divided amongst themselves as to thoughts and actions³². With the effective denial of real participation in the operation of the refinery the local community cannot expect to participate in issues, like health, safety and the protection of the local environment under a free-market system which provides no obligation for a company to abide by community wishes.

A free-market system would not necessarily provide adequate emancipation for those people seeking to participate in the operation of business. Through legislation³³, government authorities like the EPAV would still have the ability to enforce or enact legislation to protect individuals. As Gunningham points out, part of the process of emancipation is an ability to give the public information such as emissions, storage and risk³⁴ through government

³² The Hazardous Materials Action Group, the Altona Environment Action Group, and a group called Clean Land, Air, Water and Social Justice are just some of the community groups dealing with Mobil in the Altona area (Mobil Oil Australia & Kinhill Engineers 1992: 101-102)

³³ see chapters on Participation and Survival

³⁴ particularly on issues that could effect peoples lives

managed programs such as the National Pollution Inventory (Gunningham (undated): 42, 46 & 47). The other part of the process is a right to act and participate in discussions (Gunningham (undated): 47), something that is not addressed in legislation. What is legislated actually provides the opposite: restrictions that protect business from interference. The Planning and Environment (Amendment) Bill 1993 for instance limits public involvement in planning on private land, and when existing structures of the same type exist.

Admittedly business could claim that this was their emancipation as it prevents what could be seen as unnecessary cost and interference in their operations. As with the free-market, actions of the government are seen as hampering an effective competitive market (Emy 1993: 108-109). By viewing business as a valid member of society³⁵ it too must have an emancipatory goal. Pushing the free-market paradigm suggests that individual freedom through the market allows individual choice. This can only work theoretically if the choice falls within areas that are controlled by the market, and fails if something not monetarily valuable (able to be bought and sold) like morals or the environment is the issue.

Emancipation through Legislation

Legislation is a balancing act. In reality it would be impossible to legislate controls over all society, as in the political environment the push has been towards a dismantling of regulations and restrictions. Thus business and bureaucracy would find it unacceptable, plus too limiting to consider

³⁵ In reality, if we ignore the arguments about subjective realities allowing for the possibility that we didn't live in a capitalist society, it would be a fallacy to suggest that businesses didn't exist, or were a figment of our imagination.

“competitive” operations. For participation and the environment legislation has wide possibilities in that it could force changes to the operation of business that would not normally be done, and thus run an agenda based not on economics and anthropocentric ideas, but shift the basis of operation to an ecocentric model, for instance. This approach is not perfect as it’s inflexibility provides its downfall as well as the assurance of protection. By being inflexible all encompassing legislation and regulation does not adapt easily to change. A good example of this is the Australian Constitution which has to be adapted in terms of control of funds to states in order for the Federal Government to effect issues that have arisen since Federation, like the environmental crisis, and wide scale industrial pollution (McMillan, et al 1983: 85-88).

Emancipation through Market Liberalisation

As the opposite to legislation (control by the market as opposed to control by the State) market liberalisation also has a different emancipatory outcome. For business, market liberalism offers freedom of operation and an increase in operation profitability. With this freedom comes the loss of society’s emancipation by uncaring businesses, as demonstrated by Mobil in the previous two chapters.

Emancipation through a Pragmatic Government Approach

Weber claims that neither the State or market can maintain individual freedom alone (Emy 1993: 215), and this is born out by the search for emancipation: both strict regulation (the State) not strict market control offers the best

solution to emancipation of society. Thus it should be fair to say that a balance struck between the two opposing ideas is the most equitable solution for all. Emy claims that it was this issue that won the 1993 federal election for the ALP who ran a successful campaign of pragmatism, as compared to the dogmatic approach of the Liberal Party (Emy 1993: 3). That is, the middle line balanced through rational argument and decisions offered more to the majority³⁶ of voters, particularly those who are members of marginal seats, and therefore more effected by a change, than the “ideological fixation” (Emy 1993: 3) that the Liberals rigidly held onto. Thus Emy suggests that the flexibility offered more room for the inequalities shown up by rigid ideological plans for society; in this case market liberalisation, and a totally deregulated economy.

To put this in a different perspective a measure of emancipation is possible through the electoral process. While this reduces effective participation to the time of elections, and despite the similarities of approach³⁷ there is some flexibility for individuals to wield power especially in vulnerable marginal electorates.

It must be noted that there are obvious flaws in embracing the pragmatic model for emancipation. A major flaw being the difficulty of a “middle of the road” mediation process to innovate, and take a leadership role. This flaw allows non-anthropocentric areas such as the environment to lose its

36 The term majority is used in terms of the number of seats in parliament won, rather than the overall majority of votes which was a lot closer.

37 The ALP Keating government, and the Liberal Kennett government both use a free-market approach as born out by their withdrawal of government intervention by privatising services, and reducing business tariffs.

emancipation, but through the electoral system this salvation is also achievable as the party in power is able to take a leadership role between elections. This leadership has allowed the Federal ALP Government to sign, support and advocate the UN Convention on Climate Change in 1992 (Office of the Environment, DCNR 1993: 26-27) as well as allowing the Kennett government to lead Victoria to a free-market State with his reforms of public utilities and the public sector. Therefore it could be proposed that to achieve the best possible emancipatory outcome individuals should look for a government that will provide a leadership role in the area they want - be it a free-market, economic leadership, or an environmental, survival leadership.

The capacity to influence government is limited if the bipartisan nature of the ALP and Liberal Party is considered³⁸. In this situation other alternative courses of influence and action need to be explored. What does this leave for the residents of Altona who have not been able to succeed in achieving their aims with Mobil through the electoral process, and in the light of Mobil's blatant disregard for the State authorities. One alternative option is to become a member of one of the parties, and thus work from within to achieve a goal. By doing this a company like Mobil could be placed on the agenda for Party action, but in the same instance, the bureaucratic structure of membership may stifle any chances offered, as well as Mobil still holding the government in blatant disregard, and thus unlikely to bow to pressure from a political party.

Another alternative to this is direct action and protest, which has the

³⁸ As well as having bipartisan (both party support) policy the two parties also would claim that some of their policy was different, while still being very similar in outcome and rhetoric, like the policies on Uranium Mining.

possibility of raising awareness for a larger audience, as well as government officials. Direct action also has another possible benefit in that it is possible to embarrass some companies into changing their ways. Mobil is unlikely to be embarrassed sufficiently for this to work as the Hazardous Materials Action Group (among other local groups) has already tried direct action on the Mobil several times with little or no response, and no apparent success.

Returning to emancipation through the parliament, a final solution could lie in playing with the balance of power. This could be done electorally using marginal seats, or by supporting one of the smaller parties running for a Senate seat, like the Greens or the Australian Democrats, which could upset the balance of power. This is generally small due to the recognisable similarities between the ALP and the Liberal Party.

Thus, as previously stated, emancipation is a balancing act, but for the average participant, there doesn't seem much opportunity to participate effectively especially when dealing with a company like Mobil that is seemingly impervious to criticism.

Conclusion

This examined whether emancipation was achievable through a self-regulatory system of market liberalisation. To do this it utilises the ecopolitical themes of participation, survival and emancipation in order to examine the effect of the free-market paradigm pushed by market liberalism.

In the chapter on participation market liberalisation was introduced as a concept that reduced the State to a marketplace free from restrictions, and thus able to be effectively competitive in an economic sense. By doing this market liberalisation exposes members of that society to inequality, and denies them any sense of real participation in the processes of society. This was highlighted by Mobil abusing their position of having no legal obligation to the local community even under the current system of government which does have regulations.

This inequality was further born out in the following chapter on survival where Mobil's blatant disregard for maintaining agreed emission levels of environmentally harmful substances, and its failure to be disciplined for this by the Government, and its authority the EPAV. This is despite sections 26 and 31 of the Environment protection Act requiring Mobil to meet limits by law, or else their operating licence would be revoked. This chapter highlights the importance of these breaches by discussing the urgent need for survival to be on the agenda of government, especially for a company such as Mobil who are a major contributor to the Greenhouse Effect.

The final chapter approached the achievement of emancipation for all society. As this was pointed out, emancipation for the state lay in a balancing of the emancipation of a complex and diverse society. To avoid the exclusion of groups, including a pro-market liberalisation business sector, a pragmatic political approach was taken. A recognition in this is that the state is necessarily flawed as it exists at the present, and yet is still able to play a leadership role, towards liberating the state from an environmental and social death, through initiatives able to be undertaken between elections.

This thesis was, hopefully, able to show a way forward in society by illustrating that the current dominant paradigm of market liberalisation is flawed and cannot be expected to create anything but unrestricted business, and many inequalities in society. In response to this, legislation and a highly regulated system can be shown to also be flawed by restricting economic growth, with the recognition that under the current economic climate that is dismantling restrictions that sort of response could not be carried out as it would be unacceptable to business.

Noting that elections are not fought over single issues like the operational problems of a company like Mobil, a pragmatic, middle line approach seems to offer the best solution for emancipation. With this is a recognition that elections in Australia are won on marginal seats, and with a traditionally small majority. This opens a possibility for the individual to effectively participate in the state. What is not opened is the ability to influence Mobil, and other businesses like it. This is due to Mobil not being answerable to the democracy that we participate in by being a large, influential, multinational corporation.

As exhibited through this thesis Mobil is able to exploit and ignore both the government and the people at the local level. So to turn the Quote, “think globally, act locally” on its head maybe we should be examining the local, and acting globally through forms of international action on the rogue multinational firms that local and national governments are unable to control effectively.

Paraphrasing the opening quote in the Introduction, we cannot assume in a Western society that we will necessarily protect the Earth and look after others. For the Navajo Indians the Earth was sacred. Protection of the Earth by an individual of the Navajo peoples therefore was assumed, and there is an ability to accept, implicitly, the individual as a site of responsibility. This core difference is why market liberalisation, and neo-classical economics cannot be used as the emancipatory means to protect the environment, and the voiceless people in society, and therefore we must continue to struggle with the imperfect system that exists, in order for some protection to prevail.

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