

# The Vanity of the Bonfires

SEAN CORRIGAN • August 2008



Earlier this month, the local press carried a summary of a report compiled by a panel of so-called ‘experts’ of the Swiss Academy of Engineering Science (SATW) under the startling rubric that motor gasoline “should” henceforth be priced, by fiat, at no less than CHF 4 per litre – roughly double the current market price.

The reason given by these cloistered killjoys for recommending such a brutal curtailment of people’s material well-being? Nothing less than the incredibly convoluted one that since – in their lofty estimation – Swiss demand for petrol will inevitably outstrip the available supply sometime in the next two decades, it is better to anticipate the resultant economic stress by “discouraging” consumption now, rather than to allow such a painful (if utterly hypothetical) disappointment to be postponed until later.

Presumably, on this basis, in order to lessen the chance he might run over a cliff during the next mass migration, we should prevail upon the prudent lemming to fling himself out of a skyscraper window today.

Nor is this the only instance of such right-on rhetoric to emanate from a Swiss officialdom clearly at odds with the solid, *bürgerlich* level-headedness which typifies a nation whose engineering talents and entrepreneurial skills have long allowed them to flourish in a tiny land, hemmed in by sterile, icy peaks and endowed with all too few natural resources to support them in any sort of comfort.

No, far from regarding the achievement of their fellow citizens as a matter for well-merited praise, the governmental authors in Bern sourly condemn it as an act of despoliation and robbery. Certainly, one can put no other construction on the following, highly patronising passage taken straight from the pages of the official statistical yearbook for 2008:

*“Switzerland’s ecological footprint is three times as great as its biocapacity... The ecological footprint expresses consumption in terms of how much surface area (in global hectares) is required to sustain this consumption. It shows whether and to what extent our use of natural resources exceeds the regenerative capacities of the biosphere...”*

*“When consumption exceeds our biocapacity, natural resources at home become depleted or have to be imported from other countries. In such cases, we end up living at the expense of other regions of the planet or of future generations.”*

Several pages of argument could be spent dispelling the woeful economic ignorance being expressed here, but let us limit ourselves to two simple observations that seem to have escaped our earnestly-PC engineers and bureaucrats.

The first is that though we all routinely suffer wants that far exceed our means to satisfy them, most of us have reluctantly come to accept that it is our earthly lot to have to forego some delights in order to sample a range of others – an epiphany we reached somewhere between becoming fully toilet trained and realising that Father Christmas was only a figment of a toy salesman’s fertile imagination. The need continually to make such choices – under the guidance of the price signals so generated - is the very dynamic that spontaneously co-ordinates supply and demand in the first place. This clearly applies to energy no less than to any other good or service a man may require.

As long as the right to make such decisions – by weighing opportunity cost against expected utility – is not proscribed or too badly hampered by our rulers, then, under no circumstances whatsoever, is there any need for a group of technocrats (all too often to be found operating far beyond their narrow sphere of expertise) to be given the arbitrary power to decide what their fellows may and may not have, simply on the basis of said experts’ intellectual prejudices.

The second point to make is that this whole, ludicrous notion of “biocapacity” commits the common Marxian error of believing that free exchange is a zero-sum game – that one man’s gain must imply another’s loss. This is a mistake so jejune as to be laughable, were it not to lead to such costly, Leuenbergerisch policy missteps.

In simple terms, if the world’s only nuclear engineers happened to live in Switzerland, in what sense could one say they were “living at another’s expense”, if, instead of being content to burn locally-sourced cow dung, they were in receipt of uranium ore, shipped in from a mine located in a far less advanced country where the expertise to make productive use of it was utterly lacking? Is it hard to see that the cheap, clean energy they could thereby export (or the hydrocarbons whose use they would now be able to forego) would represent a net addition to everyone else’s quality of life, too?

Thus, even if there is any validity to the “Peak Oil” scare (a rather large conditional, in your author’s estimation), the Swiss – just as all other peoples – will adapt much more readily through allowing what we call the I<sup>2</sup>E<sup>2</sup>S<sup>2</sup> process (Innovation, Economisation and Substitution, leading to Investment guided by Entrepreneurialism and fuelled with Savings) to percolate through the free market than by means of anything policy wonks and political wastrels may dream up, respectively, in their ivory towers and smoke-filled rooms.

It is critically important, moreover, to recognise such an instance of “fatal conceit” as being all too characteristic of those who pander to the modern day *danse macabre* of exhaustionism and collectivist penury which so infuses both the

anti-humanist Greens and the rent-grubbing business types who hypocritically seek to line their pockets by pandering to these latter-day Savonarolas.

For example, far across the Atlantic, a truly sinister cabal seems to have been hatched between the Republican “Swift Boater”, corporate raider-turned-windmill wannabe, T. Boone Pickens; the Democrat serial fantasist and climate alarmist, Al Gore; and the One World-elitist media mogul, Ted Turner – this Unholy Trinity having set aside their supposed ideological differences for no higher purpose than to be better able to shear the flock of credulous sheep they have frightened with their intertwined tales of killer storms, melting ice sheets, and maniacal terrorist oil sheikhs.

One is tempted to ask whether old man Noah also managed to cow an ill-informed citizenry into subsidizing his little floating zoo, or whether the Ark – which was destined to deliver the fruits of the Earth to him and his seed, alone – was already disporting the misleadingly cute panda motif of the genocidally-aspirant theme park owners of the WWF at its masthead.

But though all this seems so frightfully contemporary and in tune with the suburban Gaian’s zeitgeist, the despairing tyranny of inefficient ersatz, the drive to autarky, and the quest for Lebensraum which lies beneath it possesses a very dark precedent, indeed.

To see this, we must first recognise that the serpent-tongue of propaganda employs a different and much more beguiling semiotics today.

Thus, “ersatz” is dressed up in the clothes of “alternative energy” and “sustainable technology” while “autarky” translates into such concepts as low “food miles” and reduced “carbon footprints”.

In turn, the same old Malthusian fears that there are not enough natural resources to go round are not any longer set down under the heading “Lebensraum”, but rather that of “biocapacity”. In addition, they have been inverted from justifying an outward drive to win precious living space through armed conquest to the promotion of population control measures aimed at reducing the “cancerous” impact of Man, the “pest species” on our “fevered” Mother Planet, instead.

Thus, instead of calling for the eradication of people residing outside our borders (an atavism from which our contemporaries would rightly recoil in horror), it preaches the removal of people from inside them – no less than two out of every three Swiss if we follow the state-sanctioned propaganda to its logical conclusion! In this way, such a profound and hateful misanthropy attains a spurious respectability which belies the fact that we can hardly do more to “live at the expense of a future generation” than by not giving rise to one, in the first place!

Our use of these older phrases may already have alerted the reader to their provenance, but, to show that more than a pat generalisation is involved, let us

quote a few specifics from Adam Tooze's magisterial study of Nazi economics, *The Wages of Destruction*, by way of corroboration.

Though undoubtedly a genius of industrial chemistry, as Tooze relates, it was Carl Bosch's ineffably modern fixation that the world was on the brink of "Peak Oil" – and this, no less than eighty years ago! – which led directly to the Devil's bargain sealed between his sprawling conglomerate, IG Farben, and the incoming Hitler regime.

In the author's words:

*"... in 1928, at its Leuna facility... IG Farben embarked on the construction of the world's first facility for coal hydrogenation, the alchemical process through which coal was transformed into petrol... The RM 330 million investment... would pay off when the oil wells ran dry and fuel prices rocketed."*

Sadly for Bosch, that same prospect of an imminent shortage inspired a wave of entrepreneurialism which resulted in major new oilfield developments in Venezuela, California, Oklahoma, and the Permian Basin of Texas, culminating in the discovery of the famous "Black Giant", late in 1930 - and hence to a glutted world market.

Taking up Tooze's narrative again:

*"For Carl Bosch this was clearly a severe setback, but IG could certainly have retreated from hydrogenation. Losses of a few hundred million would not have broken the company. Such a retreat would, however, have run completely counter to Carl Bosch's vision of the firm, which now depended on the willingness of the German government to impose high taxes on imported oil."*

One cannot fail to be struck by the similarities not just with Pickens and his cynically populist campaign for wind energy, or with Gore and his multi-billion 'eco' hedge fund, but also with today's avid subsidy grubbers among the advocates of solar power and the members of the vast biofuel lobby who have found a novel way of penalising plain, hard-working consumers of cereals and oilseeds in order to feather the luxurious nests of the Midwestern agri-barons.

Nor do the parallels end there, because, in the 1930s, having once started down this route, both parties became hopelessly wedded to the need to keep fuel prices artificially elevated at what were, by a neat coincidence with the SATW's latest ideas, roughly double world prices.

This imperative – which provided corporate welfare to Bosch while raising revenues for the Reich – forged a tangled chain of unintended consequences, as all such "initiatives" de haut en bas tend to do. Not least was that it was later to have a disastrous impact on Hitler's ambition to emulate the accomplishments of "Fordism" by providing an affordable car for every German household.

A triumph of enduring engineering design Ferdinand Porsche's Volkswagen Beetle may well have been, but because petrol was so unnecessarily expensive, ways had to be found to reduce the capital cost of the car itself, so that the total running cost could fit within the meagre budget of the average family. The resonance with current proposals to offer a range of tax-breaks and state subsidies for the production of hybrid fuel cars is just too striking to ignore.

Finding the talismanic ceiling of RM 1,000 a car impossible to achieve in a purely commercial setting (Porsche's brainchild was, in fact, no less pricey than Opel's cheapest existing model), production of the vehicle was soon entrusted to a plant to be specially built using the captive funds which had originally been donated to the now-proscribed trade union movement and supplemented by an ongoing compulsory levy on all German manual workers.

Plagued by the cost overruns which were inevitable in a closed society, over-reliant on home-produced goods and already straining to afford its mountainous rearmament programme, the responsible entity, the Deutsche Arbeitsfront, further tried to finance itself by offering its members an instalment savings plan, backed up with a sizeable, mandatory subscription to a two-year insurance policy on the vehicle, payable by every one of its would-be owners.

Although some 340,000 trusting souls eventually signed up to the scheme, the schedule slipped further and further into arrears and the hidden losses mounted relentlessly.

Ultimately, despite all the podium posturing and hysterical flag-waving, not one single VW was ever delivered to a member of the German public. As Tooze informs us, the half-finished factory was eventually converted to military use and the RM 275 million in savings so arduously scraped together fell victim to the horrendous post-war inflation.

All this should warn us to be on our guard when we hear the honeyed words of today's politicians and the blandishments of their corporatist allies as they try to twist the commendable desire to avoid the wanton destruction of our environment into an instrument of imperial expansion, state control, and undue self-enrichment.

Nor should we allow ourselves to be browbeaten by the IPCC carbophobes when they use dubious science and worse economics to make us believe that the entire planet is in imminent danger of a cataclysmic collapse unless we ordinary folk (though, naturally, not the cosseted members of the Green Sanhedrin itself) give up all hopes of a better standard of living.

More emphatically, we should reject the suggestion that, in the Canute-like arrogance that they can somehow prevent this faux Millennium, the central planners will not only offer a route to earthly salvation, but also a path to the faster economic growth and greater material prosperity to be stimulated as we struggle to overcome the handicaps they seek to impose upon us. If every adult male has his right leg amputated by order of the state, the fact that more artificial limbs will then come to be sold is not exactly a mark of progress.

To fortify our resolve to resist such insidious schemes, we might therefore do well to think upon the sorry fate of a previous people who, having lost their faith in free exchange and the international division of labour amid a tempest of monetary insanity, became converted instead to a Messianic vision of impending scarcity and unavoidable strife – and brought the wrath of heaven down upon their heads, as a result.



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