

CHAPTER I

INTRODUCTION

In this chapter, the writer will explain the brief explanation of the thesis consist of background of the issue which mainly discusses the Australia's climate commitment, research question, theoretical framework, research method, and writing system. The background of the issue will trigger the research question to be appeared and will be answered using the theoretical framework of national interest and rational choice. The writer also gave 2 Hypothesis to answer the research question. At the end of this chapter consist of research methodology by using qualitative analysis and writing system which consist of Chapter 1 as an introduction, Chapter 2 as discussion, and chapter 3 as a conclusion.

A. Background

By 2013 the human population has reached for about over 7 billion, this has become clear to the world's scientific that the increasing rate production of carbon dioxide (CO₂), Methane and other greenhouse gases in the atmosphere. As a result of rapid increasing agriculture, land use, the transportation processing and everything we were consuming

that resulted to the greenhouse gasses¹ was responsible for the climate change (Emmott, 2013). Surely, among the biggest human threat, ecological annihilation and natural destruction is count as one of the biggest threat in human history (Goklany, 2012).

The massive development has had always been one of the key factors to the extremely ambiguous changes on climate change that will affect from the most basic element of living for ecosystem to it's most complicated – start form the uncertainty of food security, the extremely hazardous weather up to the threat of globally epidemic diseases (McMichael, 2003). It is undeniable fact that human has accused for an increase of atmospheric carbon dioxide for more than 30% in a past few centuries – climatologist agree that this caused by the human activity such as the fossil fuels burning, deforestation, industrial activities, and animal husbandry have also contribute to the greenhouse gas increasing since 1800 (Stephen H. Shneider, 2006). The greenhouse effect is what the scientist called is warming the Earth land surface below water temperature and it is the result of the extreme amount of carbon trapped in the atmosphere.

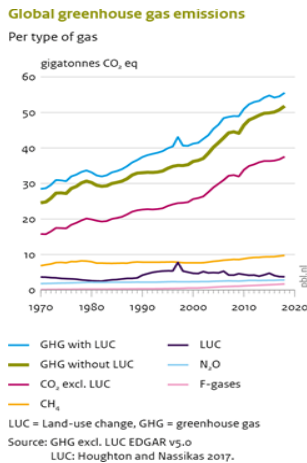
¹ Greenhouse gases are gases in Earth's atmosphere that trap heat. They let sunlight pass through the atmosphere, but they prevent the heat that the sunlight brings from leaving the atmosphere.

The creation of key output in addressing the climate change issue is inevitable, especially if we are maintaining to live sustainability without harming the environmental and yet using it as a tool to survive. The scientific proof brought up by the Intergovernmental Panel on Climate Change assessment report in 1990 has revealed the seriousness of climate change as a topic deserving attention through political platform among countries (North, 2015). The global has finally realized the importance of preserving environment although the chairperson Gro Harlem Brundtland of 1982 World Commission and Development argued that development is everything what we need to improve our within and at the same time Brundtland also argued that environment is where we live. Sustainable development defined as the ability to develop in the current time of living by many means including the use of the existing resources yet, without harming the future own needs (Robert, Parris, & Leiserowitz, 2012)- Therefore the point idea of sustainable development is introduced in World Summit on sustainable development in 2002 as a goal and mission for national institution, international organization and locals.

The idea of sustainable development was continued to discuss in June 2012 in order to improve it's effectiveness, the world leaders alongside with the representative from the nongovernmental organization and private sector came and sit in line to discuss "the future we want" at the Rio + 20 United

Conference on sustainable development. The discussion outcome were the extension of the previous development goals which expire in late 2015, afterwards the termed of Sustainable Development Goals² alongside with its agenda were introduced. World leaders has come into a sense common commitment which encompass a broad agenda that has written as 17 Goals under the SDG's and one of them is the Climate Action as well set as number thirteen in SDG's agenda.

Graphic : 1 Global greenhouse gas emissions from all resources from 1970-2018



Source 1 Trends in Global CO₂ and Total GHG Emissions

² The SDGs are an agenda for people, planet, and prosperity that seek to strengthen universal peace and shift the world on to a sustainable path. The agenda defines a sustainable future where the planet is protected and natural resources, including wetlands, are used sustainably (McInnes, 2018)

In streamlining the point idea of sustainable development by mitigating the impacts of climate change, the three primary greenhouse gas which consist of carbon dioxide, methane gas and ozone should be taken measure of. As referred from the graphic above, since 1970, the increasing of GHG's is extremely undeniable due to manmade doing. In 2018 the global growth of greenhouse gas has reached 51.8 gigatonnes. The 2018 increasing greenhouse gas was mainly due to an increase in global fossil carbon dioxide (CO₂) emissions from fossil fuel process and industrial consumption – the annual greenhouse gas growth in 2018 is 2.0% and it was twice high as expected since 2012, whereas the average greenhouse gas emission growth is only expected for 1.0% increase each year (Oliver & Peters, 2019).

Climate change issue is an extreme threat for every country, the unpredicted change has simultaneously happened to be shocking the whole world and it needs a quick action plan in order to address the issue while living in sustainable. In accordance with the 4th IPCC report in 2007 the increasing of Greenhouse gasses since 1970 has extremely affecting the arctic condition and this will led in to the increasing of sea level 1-8 feet by 2100. It needs a sufficient whole world cooperation yet efficient to answer the climate change challenge and be prepared for what's coming next. Therefore, every country efforts is count. In this case Australia officials has righteously

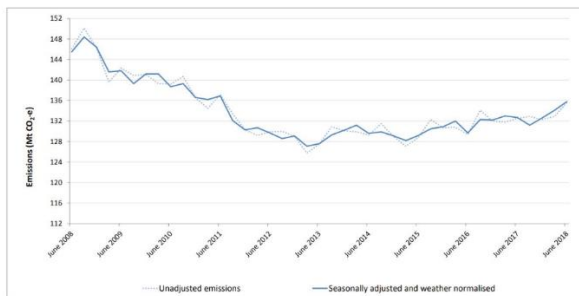
convince the world that the land of kangaroo is vocal enough in combating the climate change that threatening the world. In 2015 Paris Agreement is introduced, as one of its member parties in this international commitment, Australia has shown to the international community that they are ready to reach 26-28% of their emission cut by 2030. The entered into force of Paris Agreement is a big momentum for Australia Official Government in fighting the threat of climate change - Australia has committed on spending for at least \$1 billion in climate development assistance for developing countries from 2015-2020. In addition to its commitment Australia Officials also pledged \$500 million over 5 years from 2020 to help the Pacific nations invest in renewable energy and climate and disaster resilience (Australia, 2020). Australia official government in 2013 has designed a trade carbon scheme which will be contributes for its carbon emission cut - Australia carbon pricing scheme is an innovative yet one of the best design that had established throughout the history (Jotzo, 2012).

On the other hand Australia country action at some point is not accordance with the statement that given by the Australia Officials. Australia can be both a hero and yet villain also to its own climate commitment at the same time. In 2015 the government analysis identified the core issue why does Australia's GHG's emissions is still risen due to its LNG activities and project. Liquefied Natural Gas is a new attracting

way of clean energy due to its low carbon dioxide emission and its simple transportation. It is to be believed that LNG project will lead into a steady demands in a few more decades ahead in future (Lim, 2013).

Australia's officials through its Energy Minister claimed the LNG project should be proud of due to the exchanging place for a massive use of coal power in Australia and this is where the major turn happened. Wheatstone's, Ichty and Prelude LNG export project activities are one of the examples of Australia large scale of LNG starting from 2017-2019. Expert from the Global Energy Monitor had warned the Australia's Official of the booming of LNG project due to its carbon emission rise by 0,7% in 2018. The LNG exporting project activities involve the construction of massive new facilities with life expectancies of a decades or more (Nace, 2019).

Graphic : 2 Australia emissions by quarter 2008 to 2018



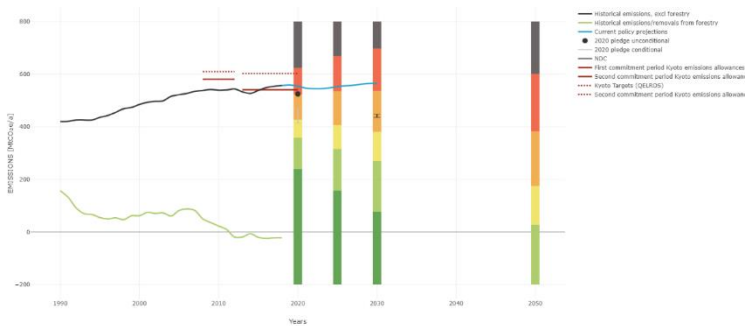
*Source 2 Quarterly Update of Australia's National GHG
Inventory: June 2018*

In the mid of 2018 Australia's emission had increased for 0,6% by the previous year. Australia officials through its minister of environment state that the data is still on track to meet Australia's climate commitment to reduce their emission by 26-28%. Meanwhile Australia's official statement were instantly broke by Dr Joeri Roegelj an expert which main focus is in climate change in the environment in The Grantham Institute for Climate Change, indicating that instead of keeping the climate commitment steady, Australia's official policies shows no evidence for achieving its climate commitment. According to the report LNG export project is mainly responsible for the increasing in June 2018 after a major downturn in March 2018.

By 17th January of 2019 an independent scientific analysis called Climate Action Tracker give an assessment report on how does the Australian government is holding their climate commitment. The report started in the year of 2015 where the Paris agreement were agreed by many countries including Australia. Unsurprisingly, this report from CAT concludes that Australia categorized as a "insufficient", a country with this title is *inconsistent* and not in line with the Paris Agreement to keep heating below 2°Celcius, moreover this report also states that "Instead of achieving a commitment

to reduce carbon gas emissions by 26-28% below 2005, the truth revealed that Australia will surpass its commitment by 8% above gas emissions in 2005" (Tracker, 2019).

Graphic : 3 Climate Action Tracker assessment graph on Australia



Source 3 Australia Assessment Country Summary September 2019

Australia's sonorous climate commitment has become questionable throughout 2015-2019 and contrary to the Sustainable Development Goals agenda number 13. The fallen emission on electricity does not affect the increasing of emission carbon which mainly driven by Liquefied Natural Gas export project and other industrial process. Moreover, this activity has been warned by the experts about the upcoming unsteady of Australia's climate commitment for 26-28% by 2030.

B. Research Question

Based on the background of the research, the thesis is going to focus on addressing question as follows: **“Why Australian government adopted controversial energy policies in 2015-2019 despite its recent high climate commitment?”**

C. Theoretical Framework

Theory is a form of explanation from the very general basic of a case. Theory combined concept into an explanation that directly shows how does a case phenomenon happened or occurred by interconnecting the logical reason that exist. Therefore, theory often used as an explanation tools as well as a tool to predict. In regards to the thesis, the researcher has selected a concept and model to help address the research question proposed:

1. The concept of National Interest

The end of the first and second world war is a major turn for an international system to witnessed a new interconnection between nation states. The rapid development of nation state interconnection also backed up by the creation of United Nation in 1945. In addition the decolonization process from decolonized state into a sovereign state has also strengthen

the state interrelationship and it becomes inevitable, the new product of international system has resulted into the formation of foreign policies. Foreign policy is a theory which explain such a state behaviour pattern in struggling for it's national interest. Foreign policy often referred to an external connection between nation states. Foreign policy has defined in a various systematic way, a well known scholar called Herman defined foreign policy as “the discrete purposeful action that results from the political level decision of an individual or group of individuals” (Herman, 1998). In the words of Padelford and Lincoln they defined foreign policy as a totality interconnection between states in its external matters, foreign policy is a product from how does a state interpreted its national interest and implement it broadly to achieve and maintaining its national interest (Padelford, 1962). Both Herman and Padelford, Lincoln definition on foreign policy referred to a national interest, we may say that national interest is interconnected and the basic formula of a states on making its foreign policy.

National interest is the very basic formula for a state in forming its foreign policy. National interest also has become the absolute driven factors for state on determining their own product of foreign policy. Hans J. Morgenthau explain that the very basic strategy of a nation diplomacy should be accordance with its own national interest and not likely in accordance to moral, value and ideology. Hans J. Morgenthau also argued that

a national interest is for pursuing, maintaining and also forming a control towards the other nation (Mas'oed, 1990). Clausewitz in his words stated that all state behaviour is accordance with its needs to survive and prosper and he also said if a state doesn't serve its national interest then that would be foolish (Clausewitz, 1976).

Meanwhile, Jack C. Plano and Roy Olton define national interest as a needs and desire of a sovereign state with the interconnection with the other sovereign state in its own external environment (Plano & Olton, 1982). Furthermore, Jack C. Plano and Roy Olton divide national interest into several elements, those are;

- a) **Economic welfare:** a state must ensure its economic growth stability while keeping up the rate of prosperity to increase;
- b) **Independence:** a sovereign state has the right to not be colonized by the other sovereign state, in other words a sovereign state has the rights to not be influenced nor subjected by the other sovereign state;
- c) **Territorial integrity:** a sovereign state has the right to maintain their homeland territorial;
- d) **Military security:** a sovereign state has the right to defend their homeland country from any external as an interest;

- e) **Self-preservation:** a sovereign state has the right to defend their homeland country from any threat that could disrupt their homeland country stability.

In the case of Australia, the boom project of the liquified natural gas export which transport a very big amount of LNG through the year of 2015-2019 is a policy that taken by the Australia's government in order to achieve its national interest which covering for the economic welfare. It is an undeniable fact that energy industrial process and sector is one of the most promising sector for a country to gain more profit as well as increasing a state growth domestic per capita (GDP). In the year of 2013-2015 the GDP growth of Australia has sore from 3,8% to 2,1% however, in the last 10 years Australia has increased its economy for around 19% and driven by the industrial and energy sector (Australia Government, 2019).

2. Rational Choice

The international system has driven every country to use its foreign policy product in order to achieve its national interest. Therefore, in achieving its national interest, the actors are making a comparison, possible solution and finding the best alternative with one and another through consideration and calculation of what may happened if the actors choose an option instead taking the other available options that exist. This has to be done in order to see the merits and minimalize the possible drawbacks that may come after the decision are taken. In the

words of Joseph Heath rational individual must see each outcome for every course of action and calculate them which will be the best, rational individuals also choose a course of action that is most likely giving them a satisfaction (Heath, 1996).

Rational choice theory is generally used as a framework for understanding and explaining social economic behaviours. It was used as an economics analysis method of micro economics, consumption of goods, distribution and services. As the time goes by rational choice theory then adopted and used as a framework to analysis another science sector including the political science. In the book of essence decision by Graham T. Allison he used rational choice theory in order to explain the case that he particularly discussed in his books. When an individual/actor are taking a course of action, the individual/actor should see the cost and benefit of taking a certain particular course of action instead of another course of action. The individual/actor will consider the risks as well as the advantages of choosing a certain course of action

In the words of Graham T Allison he defined rational choice as set of option that the government as the national actor and act as a unitary decision maker. The actor of course is having a set of objective or specified goals, by provided with a set of perceived options and also a single possible consequence that follow by each option that available or exist (Allison,

1969). According to Stephen M. Waltz in his journal titled for “Rigor or Rigor Mortis? Rational Choice and Security stated several important points, those are:

- a. Rational choice theory considered to be individualistic by many means social and political decision are part of individual choices or in other words the decision or the course of action were made by a unitary actors;
- b. The actor is try to seeks maximum potential for its interest by having a set course of action and that would bring the most merits for its interest;
- c. Rational theory specifies the actor preference to a certain circumstances, for an instance when the actor only have a few available option then the option should be more preferred than the other available option (If option A is more important than option B and C then the actor will choose option A). Moreover, in the simplest way rational choice theory is a logical tools for the actor on how to make and take a certain decision (Walt, 1999).

Table 1 Rational Choice Table: Cost and Benefit

Option	Benefits	Cost
Alternative A	Benefit 1	Cost 1
Alternative B	Benefit 1	Cost 1

Rational choice theory is used in order to identified and analyse the Australia’s government available option or course of action in approving many liquified natural gas export projects. The researcher has identified Australian government faced two different option of the decision including whether approving or disapproving the liquified natural gas export projects. Australian government approval liquified natural gas export projects will eventually cost a broadly spark of criticism that will surely coming from the environmentalist groups, NGOs and of course Australian government will not achieve its carbon emission cut target promised in the Paris Agreement. However the merits of approving the liquified natural gas export project will highly economical projected to high turn from its exporting activities and how does the projects will highly increasing opportunities for its people.

Table 2 Approval and disapproval option

Option	Benefits	Cost
Approval of LNG project	<ol style="list-style-type: none"> 1. Australia’s official will eventually create a wide job opportunities for its people since the LNG project will need lots of people to run its exploration 2. Australia’s official can prove their country capability in handling their climate commitment while running a massive LNG projects since 2016 	<ol style="list-style-type: none"> 1. Australia’s official will face criticism from experts as well as NGO who have concern in environment.
Disapproval of LNG project	<ol style="list-style-type: none"> 1. Australia may received so called “good country” from various elements for keeping their climate commitment steady 	<ol style="list-style-type: none"> 1. Australia’s official may lose its opportunities to ensure its people prosperities by

		<p>giving a new job field</p> <p>2. Australia's official may lose their opportunities to branding their country by keeping their climate commitment while running LNG project</p>
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Moreover, the approval projects will also a way for Australian government to prove widely that its high interest on economy in energy sector can go hand in with the environment by using a highly advance of technology. On the other hand, the disapproval of the liquified natural gas export projects will eventually cost Australia's government may lose its opportunities in boosting its economy and creating a big job opportunities. Meanwhile the disapproval of the liquified natural gas export projects will keep the Australia's commitment in Paris Agreement come in steady graph.

D. Argument

Based on the background and theoretical framework expounded, the reasons behind Australia's controversial energy policies in 2015-2019 by approving the Liquefied Natural Gas are because:

- a. Australia Government is implementing a mechanism to prevent a disruption towards its climate commitment
- b. Australia's goals and objectives particularly in ensuring its economic growth prosperity and ensuring job opportunities for its people

E. Research Purpose

1. Evaluate Australian government energy policies and find out its approval policies and its long term implication to Australia;
2. Find out its long term employment sector;
3. Knowing Australian government efforts in fulfilling its climate commitments, and determine whether Australia's energy policies in 2015-2019 are still in line with its climate commitments and global sustainable development.

F. Research Methodology

The author would like to use qualitative analysis methodology. The qualitative analysis research divided into 5 focuses, and the research would use the case study method. The data collection would be from the secondary sources such as; journals, books, reports, official website, and also news. The literature review is from previous research that correlate with the topic (Miles & Huberman, 1984). After collecting the data, the author would like to use descriptive approach in order to answer the research question by using the theoretical framework.

G. Scope of Research

In order to focus on the research, the author will give limits on the research knowing that this will lead in to a more specific policy of the Australian government on its climate commitment. The reason why the author chose the year period of 2015 - 2019 is the entered into force of Australia's climate commitment in Paris agreement starting from 2015 and in 2019 there are a significant changes since the Paris Agreement. The author would observe furthermore in Australia energy policy and climate approaches in previous years to know its climate commitment. Hence,

this limitation of the research is meant to avoid any further complexity in analysing the research.

H. System Writing

Chapter I. Consists of the background of the issue, research question, theoretical framework, hypothesis, research method, research scope and research outline.

Chapter II. This chapter explains on Australia's climate commitment by reviewing Australia's environmental approaches and policies particularly in 2015-2019. This chapter also discusses the liquified natural gas export projects approved by Australia's government as part of their energy export policies. It examines the importance of Australia's gas and oil industries for its national interest. In this chapter, the researcher will explore on Australia's environmental performances and actions that show its commitments to combatting climate change.

Chapter III. This chapter will explain the process approval formulation of Australia's energy export policies specifically on the approval of the LNG projects that will carry oil from Australia to several parts of the world. This chapter will specifically address the underlying research question formulated in this thesis by explaining Australia's motives behind the

approval of the construction of LNG projects and on how the approval policies were formulated through rational calculation process.

Chapter IV. This chapter will summarize and provide conclusions from the over all chapter within