

# Stop the Canadian energy drain

By Marvin Barnett J. Clarfield & D. Davis

Marvin Barnett is a student at York and a member of York's Pollution Probe.

With his deliberate production of fire man has separated from nature. His "unnatural" style of living evolved from a primitive man's consumption of a meagre 2,500-3,000 calories a day (energy used from nutrition and warmth by fire) to a modern North American (NA) man's consumption of literally 100,000's of calories a day (energy used for heating, industry, transportation and individual conveniences). It has been conservatively estimated that each American man would have 200 slaves, if his utilized energy were converted into manpower.

This modern man consumes well over 100 times the amount of energy consumed by pre-industrial man and when one considers that the population has increased over 600 percent since that time (.5 billion to 3.5 billion) it is noteworthy that modern man is consuming 60,000 percent (100 X 600%) more energy than his ancestors four centuries ago.

Energy consumption, by NA's standards, is proportional directly to standard of living and technological development while growth continues to be the irrefutable law of economic well being. This implies that NA's consumption (and therefore growth and development and rise in the standard of living) will continue to increase at a constantly increasing rate.

NA's major sources of energy are the nonrenewable fossil fuels; oil, natural gas, and coal (coal is now outlawed in most areas of NA by present pollution laws). The US represents only six percent of the world's population yet she consumes 30 percent of the world's oil, 40 percent of the world's (clean relatively pollution free) natural gas with an exponential doubling of its consumption every 12-13 years. A mathematical interpretation will indicate that on an international level the maldistribution of goods and living standards is continually maldistributing. This has already created many negative social implications.

A review of other energy sources will paint a dim picture. Almost all potential hydro sources in NA have been harnessed, yet Hydro accounts for a mere four percent of its total energy. Solar, tidal and geothermal (earthheat) energy will be able to furnish only a small part of the total electrical power which the post industrial society requires. It was estimated in 1950 that thermo nuclear power would virtually replace hydro electric power by the mid 1970's.

At the present rate of consumption NA will exhaust its fossil fuels within 15 years and the world's resources of fossil fuels will be gone in 35 years. Since fossil fuels are NA's primary sources of energy they must be used with the utmost discretion.

Because the US has been consuming resources at such a fast rate it has been forced to rely on foreign reserves as well as its own. These foreign resource outputs are usually American owned, thereby allowing the foreign raw materials to be bought at low costs. This creates an exchange market for sale of American high profit finished goods. This foreign arrangement worked very smoothly until the middle-east crisis became a reality.

With the closing of the Suez Canal, African oil tankers were forced to travel thousands of extra miles to New York ports. American owned crude oil pipelines in Syria have been sabotaged and left unattended while the Syrian government is restricting repairs. Libya raised the taxes on her American crude oil exports 30 percent. To the shock and amazement of Wall Street a tax levy was imposed upon the necessary Venezuelan industrial oil. The re-elected government of Chile is considered 'unstable' by American standards for the importing of raw materials. But any cut back in energy resources would create a serious threat to the U. S. "security". Where to look for reliable resources? ... CANADA — land of surplus, rich in resources: already over 65 percent ownership in American hands, and over 90 percent ownership of all Canadian oil and metal smelting industries.

It came to pass that the U. S. guided by its foreign policy, began the 'squeeze' on Canadian resources. The policy restricted Canadian export of crude oil with the intention of not increasing or even having a substantial cut back unless U. S. has a unilateral energy guarantee from Canada for the 'Security of N. A.' (Virtually all Canadian Energy resources will be at the U. S.'s disposal).

The cut back last year was set at 319,000 barrels per day of Canadian crude import because Canada had not yet agreed to the American proposal. But the unsatiable U. S. appetite for energy consumed an average of 615,000 barrels per day of Canadian crude oil and peaked in January and February of 1970 at days of importing over 800,000 barrels. This, to the 'protected' Canadian public has and will continue to raise the cost of oil, while in turn inflates the price of heating, gasoline etc.

The price of 'clean' natural gas has already risen (law of supply and demand) and Canada to date cannot supply all the U. S. natural gas import requirements. But Canada has already committed one-third of its existing natural gas reserves to American export. As soon as more natural gas can be found and extracted, the Canadian government's policy will happily sell it for a quick profit, while Canada's air pollution problem continues to worsen.

The price of Ontario hydro which is being sold across the border daily will rise by 50 percent in 1977, while the Ontario Hydro Public Relations advertising announces "Ever try planning YOUR activities ten years in advance? Your Hydro does. . . YET as Ontario extends, electricity continues to be the biggest bargain in the family budget."

The economics of this situation will show that the American owned Canadian Subsidiaries reap enormous profits. The few extra jobs created for Canadian pipeline workers will temporarily help to alleviate the Canadian unemployment problem, but Canada's economy will be forced to bend more and more to American domination. The Canadian public will have to face greater inflationary burdens the same way Canadian recreation land prices have become inflated by the American search to acquire uncontaminated recreation. How many middle-class Canadians are now unable to enjoy their once-inexpensive cottage recreation lands?

These Canadian resources will not be Canada's economic salvation, for in the long run, they will be our major source of degeneracy, development and unemployment. These resources should make permanent jobs for Canadians, not continue to create an unbalanced market, dominated by American goods.

If you are concerned about our Canadian well-being or interested in helping the U. S. dogma of fast, high profit return, change more to a concern for quality instead of quantity in living standards, please start by understanding Canada's immediate pressing problem, "Arctic oil".

Canada has oil reserves (estimated at) between 100 to 155 billion barrels of oil in the Arctic. This oil has yet to be exploited, but by whom?

It has been estimated that a maximum of \$100 billion is needed for the new technology needed to drill and transport by pipeline the crude Arctic oil to Canadian and American markets. Whether we are concerned about polluting the unspoiled Tundra with spills of crude oil at 160-degree F. rushing through this newly developed pipework or not, I guarantee it will be built. This crown land is being surveyed and digging rights are being sold regularly by the Canadian government.

The realization that at the present 'uninflated' market rates these Canadian resources could yield a value of over \$12,000 profit for every Canadian, after that \$100 billion initial investment (oil is valued at \$3.50 a barrel in the N. Y. ports). But the righteous Canadian government, (being economically near-sighted) has signed over 55 percent of the Arctic oil to the American's (formation of the Pan-Arctic Oil Limited) leaving the left-over 45 percent to Canadian ownership. This seems to foster the notion that Canadians, through their government, are being given the privilege to 'share' that wealth which already is entirely theirs. At the same time, the Canadian government is subsidizing the Pan-Arctic Company as well as other oil seekers by "underwriting all the 'social development', providing depletion allowances, special write-offs ... bearing the expenses of geological surveys etc. So why give the entrepreneurs any of the profit?"

The Canadian government could borrow the cost of developing this Arctic oil on the international market and pay back this money through the immense profits which they would receive from the sale of oil. This would strengthen Canada internally as well as on an international scale. Canada could even force the U. S. into a position of beginning to clean up the Great Lakes!

If Canadians don't act quickly, Canada will, as it has in the past, remain an exploited 'hinterland', once a colonial resource output for England, and now serving a similar function for the U. S.

I have only scratched the surface of this present energy crisis. The next maneuver to 'unify' North America and kill off what we think of as our eco-system will be the re-routing of Canada's untouched water reserves.

There is much to be said of this and all the implications which sideline the issue. More information of this and other pressing problems is available through York's own Pollution Probe, Room 242 Vanier. If you are already aware and interested in helping mankind, let Joe Greene, Minister of Energy and Resources of Canada or Pierre Trudeau, Prime Minister of Canada have a piece of your mind. They can be as close to you as the mail box. I'm sure if they know you are aware, their dealings will have much more insight.



"...just as long as there's lots more where that came from, eh boy!..."