

Mathias Cormann's alarming bid for OECD Secretary-General

Issue: Australian retiring Finance Minister, Mathias Cormann, is a frontrunner for Secretary-General of the OECD. Cormann has been embroiled in corruption scandals¹, diplomatic faux-pas, and comments that have been critical of gender² and racial equality³. While he has recently changed tune to talk of a renewables-led recovery, his track record of attacking climate science, climate policy, and renewables places his legitimacy into question. A Cormann-led OECD would be a return to unconstrained trade without social or environmental considerations. Now that Cormann is in the final stages, the USA's input as a major financial backer of OECD will be key. His track record on climate is set out below.

Pushing back on climate policies and targets: Cormann was a senior leader in a government that took no climate action for more than a decade. He consistently thwarted efforts for Australia's carbon trade, describing it as 'economic self-harm which does nothing to help global emissions'⁴ and voted to repeal it.⁵ He later led an internal coup against Prime Minister Turnbull over a moderate sustainable energy reform, the National Energy Guarantee, to instate a much more climate-conservative Peter Dutton as party leader⁶. In 2020, Cormann labelled net-zero emissions by 2050 as 'reckless and irresponsible'⁷, and went so far as to say the target was 'extremist'⁸. When students around Australia participated in climate strikes as part of a global youth movement, he told them to 'stick to school'⁹ and praised Trump's Davos speech calling climate activists 'prophets of doom'¹⁰.

Driving fossils over renewables: Cormann spoke strongly against using Australia's public green bank, the Clean Energy Finance Corporation to fund wind projects¹¹, and as Finance Minister in the Abbott government, tried to abolish the CEFC all together¹². Cormann has often voted against increasing investment in renewable energy¹³. Specifically, he has voted down motions to declare a climate emergency, that coal-fired power is not clean, and that there will be major climate impacts to gas mining in the Beetaloo Basin (a major reserve).

Falsifying claims: Cormann has often exaggerated if not misled the public on Australia's performance. In 2019, he bragged about Australia's economy, only to be contradicted on national debt, worth, tax, and spending levels by his own Finance Department's report.¹⁴ He claimed repealing a mining tax would benefit the budget by AU\$13.7 billion, despite actual estimates projecting a loss of AU\$3.4 billion in four years¹⁵. This follows a similar trend to Prime Minister Scott Morrison, falsely claiming Australia has the highest renewable investment per capita¹⁶.

Orchestrating a gas fired COVID recovery: Cormann was key to appointing gas and mining magnate, Neville Power, as chair of Australia's COVID Recovery Commission. This set Australia on a course for 'gas-fired recovery' with subsidised pipelines and new explorations of five gas basins. As Finance Minister, Cormann approved a scheme with proposed fossil gas projects that could unleash an annual climate impact of more than half of Australia's annual emissions.¹⁷

¹ <https://thenewdaily.com.au/finance/finance-news/2020/07/06/mathias-cormann-quits-pascoe/>

² https://theyvoteforyou.org.au/people/senate/wa/mathias_cormann

³ <https://www.abc.net.au/news/2020-06-07/mathias-cormann-says-blm-protests-selfish-and-self/12330310?nw=0>

⁴ <https://www.theguardian.com/australia-news/2020/oct/23/mathias-cormann-talks-up-green-recovery-as-part-of-his-pitch-to-lead-oecd>

⁵ <https://www.thefifthestate.com.au/articles/black-thursday-carbon-tax-repealed-were-on-our-own/>

⁶ <https://www.abc.net.au/news/2018-08-27/turnbull-dutton-challenge-could-have-been-saved-by-cormann/10168406>

⁷ <https://www.skynews.com.au/details/6135051363001>

⁸ <https://www.standard.net.au/story/6641745/labor-reveals-2050-net-zero-emissions-goal/?cs=10264>

⁹ <https://www.abc.net.au/news/2019-09-20/cormann-warns-students-around-australia-to-stick-to-school/11531742?nw=0>

¹⁰ <https://www.itv.com/news/2020-01-21/australian-finance-minister-praises-trump-s-prophets-of-doom-speech>

¹¹ <https://stopthesethings.com/2014/06/29/wind-industry-doomed-as-smokin-joe-hockey-shuts-down-cefc-lending-for-wind-farms/>

¹² <https://www.theguardian.com/australia-news/2016/jun/20/how-the-coalition-is-using-clean-energy-financing-as-an-election-slush-fund-australia>

¹³ https://theyvoteforyou.org.au/people/senate/wa/mathias_cormann/policies/20

¹⁴ <https://www.michaelwest.com.au/net-debt-tops-400-billion-and-humiliates-mathias-cormann/>

¹⁵ <https://www.abc.net.au/news/2014-04-01/mathias-cormann-mining-tax-claim-exaggerated/5341306?nw=0>

¹⁶ <https://australiainstitute.org.au/post/pms-renewable-energy-investment-claim-misleading-and-incorrect/>

¹⁷ <https://australiainstitute.org.au/wp-content/uploads/2020/12/Weapons-of-Gas-Destruction-WEB.pdf>