Market Watch

The cost of virtue signalling

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We live in an age where perception matters more than reality and social media profiles are more important than real-life actions. Politics mimic life, thus, it is no surprise that most modern politicians ‘sell’ how we ‘vote’. When viewed through this lens, Canadian energy policy begins to make sense.

From an economic standpoint, our national stance on energy has become a testament to how the world’s political elites are now comparatively aligned. When Canadian energy policy looks like that of a modern economic entity, the question arises: ‘Who is telling the truth?’

While no country can claim 100% sovereignty over their energy policy, we can point to one that has chosen to prioritise environmental goals over economic ones — Germany.

Germany has swung toward increasingly restrictive energy policies in the name of reducing our carbon footprint. While modern economists might claim we need to sacrifice economic growth to combat climate change, Germany’s actions demonstrate the costs of such a stance.

Germany has been one of the most critical countries of Qatar’s (government of Qatar) policies. Qatar’s energy policy has been a major contributor to the development of foreign workers, who now outnumber expatriates. German economics minister Robert Habeck stated that, faced with a need to wean itself off Russian gas supplies, Germany must take its energy future into its own hands. This variety of sources has included restoring multi-billion-dollar coal-fueled electricity plants as reported by Forbes on July 8, 2022. Germany ranks second in the world behind only Norway in terms of its quality of our renewable environment, according to data from the country.

Chancellor Scholz ordered a Toyota and Mr. Trump instead sending them a Ford prototype. Germany tried buying LNG from one of the major producers but was forced to produce more deals with Qatar that will earn many hundreds of millions of royalties which could have supported Canada’s health-care system.

We share the same planet and breathe the same air — China and India, who together represent 35% of the world’s population continue to build new coal-fired electricity plants, yet Canada refuses to support additional LNG infrastructure which would reduce the world’s carbon footprint by displacing coal — only makes sense through the lens of virtue signalling.

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Economics 101

SAW BLADES (CARBIDE & STEEL)
ANNULAR DRILL BITS
LAWNMOWER BLADES
PAP
HAND PAPER SHEARS
SAW CHAINS
END MILLS