**MARKETS, THE STATE
and
THE ENVIRONMENT**
Towards Integration

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Edited by
ROBYN ECKERSLEY
*Graduate School of Government
Monash University, Australia*

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Preface

This book grew out of a one day workshop on 'Bureaucracy, Markets and the Environment' held at Monash University in October 1992. The workshop gathered together an interdisciplinary group of distinguished academics, consultants, activists and government officers from the environmental policy community to conduct a wide ranging, critical examination and review of the various environmental policy instruments available to governments.

The workshop proved to be an outstanding success and two generous grants enabled the momentum to be carried forward and to materialise in the form of this edited collection. In particular, I am grateful to the Victorian Office of the Environment (now part of the Department of Conservation and Natural Resources) and the Commonwealth Department of the Environment, Sport and Territories for their interest in the workshop and for their financial assistance towards the publication costs of this book.

The majority of the chapters in this collection are revised versions of a selection of the original papers presented at the workshop. However, three previously published papers have also been enlisted (and revised) to round out the volume. In particular, the chapter by Robert Hahn is a reworked and updated version of 'Economic Prescriptions for Environmental Problems: How the Patient Followed the Doctor's Orders', which appeared in the *Journal of Economic Perspectives* 3(2), Spring 1989: 95-114; the chapter by Peter Grabosky is a revised version of 'Green Markets: Environmental Regulation by the Private Sector', which will appear in a forthcoming issue of *Law and Policy*; and the chapter by Gordon Clark is a revised and updated version of 'Global Competition and the Environmental Performance of Australian Mineral Companies: Is the "Race to the Bottom" Inevitable?', which appeared in *International Environmental Affairs*, 5(3), Summer 1993: 147-72. I am grateful to the respective

publishers of these three journals for their permission to publish revised versions of the articles in this collection.

I convened the workshop on 'Bureaucracy, Markets and the Environment' in my capacity as Program Director for Environment and Development with the Institute of Ethics and Public Policy at Monash. The Institute is the brainchild of Gordon Clark, who served as Director from 1991 until 1994, and who has since taken up an appointment as the Halford Mackinder Professor of Geography at the University of Oxford. I am indebted to Gordon for his advice and strong support in relation to the various projects of the Institute, including this one.

I am also indebted to all the contributors to this volume for their cooperation and excellent contributions. Finally, it has been a pleasure to work with Peter Debus from Macmillan and I would especially like to thank him for his patience and support.

Robyn Eckersley
Melbourne, December 1994

Notes on Contributors

Peter Christoff is an environmental policy consultant and currently a research student in the Politics Department at the University of Melbourne. Formerly the Assistant to the Commissioner for the Environment in Victoria, he was responsible for establishing and managing the State of the Environment (SOE) Reporting Program in Victoria. His recent consultancy work includes the Australian Conservation Foundation's 1994 and 1995 federal budget submissions and reports for the federal Department of the Environment on National SOE Reporting, National Environmental Indicators and the Use of Economic Instruments for Environmental Protection in the Netherlands.

Gordon L. Clark is the Halford Mackinder Professor of Geography at the University of Oxford and Professorial Fellow at St Peter's College. Prior to his appointment at Oxford, he was Professor of Geography and Environmental Science, Professor of Government in the Graduate School of Government, and Director of the Institute of Ethics and Public Policy at Monash University. Author of many books and articles, he is the co-editor of an ethics case book *Management Ethics: Cases and Materials* published by HarperCollins and author of *Pensions and Corporate Restructuring in American Industry* published by The Johns Hopkins University Press.

John S. Dryzek, formerly of the University of Oregon, is Professor of Political Science at the University of Melbourne. He is the author of *Rational Ecology: Environment and Political Economy* (Basil Blackwell 1987), and *Discursive Democracy: Politics, Policy and Political Science* (Cambridge University Press 1990). His articles on environmental politics, political theory, policy analysis and the history and philosophy of social science have appeared in journals such as the *American Political Science Review*, *Journal of Politics* and *British Journal of Political Science*.

Robyn Eckersley is program director for environment and development at the Institute of Ethics and Public Policy, Graduate School of Government, Monash University and a senior lecturer in the Politics Department at Monash University. Formerly a constitutional lawyer, she has specialised in environmental politics since 1986 and has taught courses in environmental law, environmental politics and green political theory. She has also published extensively in environmental politics, ethics and public policy, including *Environmentalism and Political Theory* (State University of New York Press and UCL Press 1992).

Peter N. Grabosky is a Visiting Fellow in the Administration, Compliance and Governability Program, Research School of Social Sciences, Australian National University. Formerly an Associate Professor of Political Science at the University of Vermont, he has held a senior position in the South Australian Attorney-General's Department and was Director of Research at the Australian Institute of Criminology. His writings on regulatory systems include (with John Braithwaite) *Of Manners Gentle: Enforcement Strategies of Australian Business Regulatory Agencies* (Oxford University Press 1986).

Robert W. Hahn is a Resident Scholar at the American Enterprise Institute and an Adjunct Research Fellow, John F. Kennedy School of Government, Harvard University. He recently served as Co-Chair of the US Alternative Fuels Council. Prior to that, Dr Hahn worked for two years as a senior staff member of the President's Council of Economic Advisers, where he focused on issues concerning energy policy, the environment and science policy. He also served as a member of the White House Drafting Team for the President's *Clean Air Act*. Dr Hahn is one of the architects of the innovative market-based approach for reducing acid rain.

Michael Jacobs is a Research Fellow at the Centre for the Study of Environmental Change, Lancaster University. Formerly a lecturer in the Department of Adult Education at the University of Southampton, he spent four years working as a consultant on sustainable development policy and environmental management systems, working principally for the UK central and local governments and environmental NGOs. He is author of *The Green Economy: Environment, Sustainable Development and the Politics of the Future* (Pluto Press 1991), together with a number of papers on valuation, macro-economic planning, and other aspects of environmental economics.

Peter Kinrade is currently the sustainable energy and transport campaign convenor with the Australian Conservation Foundation (ACF) after working as a policy analyst with the Ecologically Sustainable Development (ESD) Unit of the ACF and the World Wide Fund for Nature. Peter has undertaken a diverse range of environmental policy work for the ACF and he has published numerous reports. He has also represented the ACF on a number of national environmental committees, including the Energy Use and Energy Production Working Groups of the Federal Government's ESD process. He is currently a member of the National Greenhouse Advisory Panel.

Alan Moran is an economist and Deputy Secretary of Energy in the Department of Energy and Minerals in Victoria. He is the author of many articles on the environment, regulation and industry policy. He has co-edited three books on the environment, including *The Price of Preservation* (Tasman Institute 1993) and *Markets, Resources and the Environment* (Allen and Unwin 1991). Dr Moran was formerly the Research Director of the Melbourne-based 'think tank', the Tasman Institute, and has also served as the Director of the Australian Government's Office of Regulation Review and a senior official in the Industry Commission.

Susan L. Smith is Associate Professor at the Willamette University College of Law. Before joining the Faculty at Willamette, Professor Smith served as Assistant Chief, Environmental Defence Section, Land and Natural Resources Division, US Department of Justice. In that capacity, she supervised federal enforcement actions against persons accused of wetlands destruction under the *Clean Water Act* and the *Rivers and Harbors Act*. She also supervised all federal environmental litigation against federal facilities accused of pollution control violations.

Janna Thompson is a senior lecturer in the School of Philosophy at La Trobe University in Melbourne. She has taught courses and written articles in the areas of environmental ethics and politics, womens studies, peace studies and social and political philosophy. Her main research interests are discourse ethics and the ethics of international society. She has recently published *Justice and World Order: A Philosophical Inquiry* (Routledge 1992).