



THE UNIVERSITY OF
WESTERN AUSTRALIA
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A Green 'New Deal'?

Confronting Climate Change and the Financial Crisis

18 September 2009, Case Study Room, University Club, The University of Western Australia



A Green 'New Deal' Symposium

The symposium acknowledges the support and assistance of Andrew Thackrah, Convenor of the Perth Institute for Progressive Policy and PhD candidate in History at The University of Western Australia.

The symposium also wishes to thank Julian Roche and the Western Australia Policy Forum for their generous contribution to the event.

Program

17 September

6.00pm-7.00pm **Keynote Public Lecture: The Origins and Consequences of Dangerous Climate Change**

Andrew Glikson, Earth and Paleo-climate Scientist at The Australian National University,
Research School of Earth Science and School of Archaeology and Anthropology

Venue: Social Sciences Lecture Theatre, UWA

18 September 2009

Venue: Case Study Room, University Club

8.30am	Coffee and Registration
9.00am	Welcome and Overview - David Hodgkinson, Convenor
9.15am-10.45am	<p>Panel 1 - The Environmental challenge: what have we done and what is left to do?</p> <p>Panel Chair: Simon Dawkins, General Manager of The Oil Mallee Association of Australia Inc.</p> <p>Presentation: David Hodgkinson, Special Counsel, Clayton Utz; member, The Hodgkinson Group; Executive Director, EcoCarbon</p> <p>Panel discussion:</p> <p>Alannah MacTiernan, Western Australian Shadow Minister for Regional Development, Strategic Infrastructure and Climate Change Andrew Glikson, Earth and Paleo-climate Scientist, ANU Brad Pettitt, Dean, School of Sustainability, Institute for Sustainability and Technology Policy, Murdoch University</p>
10.45am	Morning Tea
11.15am-12.45pm	<p>Panel 2 - After the Crisis: a paradigm shift in risk versus return</p> <p>Panel Chair: John Phillimore, Executive Director, John Curtin Institute of Public Policy, Curtin University of Technology</p> <p>Presentation: Guido Gadomsky, PwC Strategy</p> <p>Panel discussion:</p> <p>Simon Dawkins, General Manager of The Oil Mallee Association of Australia Inc. Robert Cunningham, Faculty of Law, UWA Alex Coram, Political Science and International Relations, UWA</p>
12.45pm-1.45pm	Lunch
1.45pm-3.15pm	<p>Panel 3 - The Market and the State: developing a new economic order for our time</p> <p>Panel Chair: David Ritter, Greenpeace UK</p> <p>Presentation: Alex Coram, Political Science and International Relations, UWA</p> <p>Panel discussion:</p> <p>Ben Wyatt MLA, Western Australian Shadow Minister, Treasury and Federal State Relations David Doepel, Director, Research Institute for Resource Technology, Murdoch University John Marsden, Director, Marsden Jacob Associates</p>

3.15pm

Afternoon Tea

3.45pm

Panel 4 - The Western Australian Context

Presentation: Thomas Lyons, Environmental Science, Murdoch University

Panel Chair: Carmen Lawrence, School of Psychology, UWA

Panel discussion:

Scott Ludlam, Australian Greens Senator, WA

John Nicolaou, Chief Economist, Chamber of Commerce and Industry of Western Australia (CCI)

5.15pm

Closing Remarks - David Hodgkinson

5.30pm–6.30pm

Sundowner

Abstracts

Panel 1 - The Environmental Challenge: what have we done and what is left to do?

David Hodgkinson, Special Counsel, Clayton Utz; member, The Hodgkinson Group; Executive Director, EcoCarbon

There are a number of market-based policy instruments available to governments to deal with the climate change problem. The two most widely recognised are a carbon tax and an emission trading scheme (an ETS), such as the CPRS and that proposed in the American Clean Energy and Security Bill. Both a tax and an ETS put a price on carbon. While Nicholas Stern, for example, concludes that a choice must be made between these two instruments, he also concludes that an ETS 'may be the most straightforward way of establishing a common price signal across countries' and sectors. Similarly, Ross Garnaut is of the view that a quantity-based agreement is more likely to succeed than a tax or a price-based one.

No matter the instrument, their object is to reduce greenhouse gas emissions. For those in force, the object is also to meet Kyoto Protocol emission limitation and reduction commitments. These domestic schemes (and the EU scheme) must be viewed within an international context as well as a national one. Put another way, 'domestic policy must be deeply integrated into global discussions and agreements.' The Kyoto Protocol has almost universal participation, albeit with different commitments for developed and developing states. And what happens internationally – at Copenhagen in December – affects national policies. The Australian Government explicitly makes that connection with its conditional 25% emissions reduction target under the CPRS – a target which is linked to a global climate change agreement, and a target which will impact on Australian industry.

This paper looks at what governments - domestically and internationally - have done and may do to address global warming, and examines the prospects for an agreement at the climate change conference in December in Copenhagen. It also introduces one of major themes of the conference – a green 'new deal' – and asks whether the steps that are needed to solve the climate crisis are exactly the same steps that ought to be taken in order to solve the present global financial crisis – clean energy, clean technology and green investment as a means both to address global warming and stimulate flagging economies. And how to balance economic growth with sustainability?

In Copenhagen, in March this year, the International Alliance of Research Universities held an international scientific congress on climate change to bring together new knowledge that has emerged since the IPCC's 2007 Fourth Assessment Report of the IPCC. The congress concluded as follows:

Many past environmental problems were solved when humans realised that their own activities were leading to consequences deleterious to their health and well-being. They responded by changing behaviour and developing new technologies. Will our contemporary society respond in a similar way to the climate change challenge now facing us?

Panel 2 - After the Crisis: a paradigm shift in risk versus return

Guido Gadomsky, PwC Strategy

"Eventually, the underpricing of risk had to collide with innate human risk aversion: the crisis was a psychological certainty" (Alan Greenspan)

Today, the global financial crisis has left us with increased cost of financing. Private sector investment on a purely commercial basis will be even more reluctant to support progressive technologies than in previous years. Will financing revert back to 'normal' or is our understanding of 'normal' based on a paradigm that has been and still is a poor resemblance of reality?

Panel 3 - The Market and the State: developing a new economic order for our time

Winthrop Professor Alex Coram, Political Science and International Relations, UWA

States and markets and the financial crisis: Societies across the world find themselves in a financial and economic situation that has been generated by the operations of some of our major market based institutions. In order to understand what the possible remedies for this situation might be we need to return to some basics. What is the role of the state? Why do we need markets? What do we expect them to do? What are they good at doing? What are they not good at doing?

Panel 4 - The Western Australian Context

Professor Thomas Lyons, Environmental Science, Murdoch University

This talk will outline the predicted global climate change and its likely consequences for Western Australia. In particular it will focus on the regional impact of climate change and highlight some of the causes of local climate change and ways in which we can adapt to these changes.

Biographies



Alex Coram is a Winthrop Professor of Political Science and International Relations at The University of Western Australia.

The focus of Alex's current research is on strategic choice (game) theory, optimization theory and formal modelling with particular reference to migration and problems of conflict over resources and resource sharing. Most recently he has concentrated on the problem of analysing large dynamic systems. He also works on problems involving differential games and climate change.

Alex has also held the following appointments:

- Professor of Political Economy, Aberdeen Business School, The Robert Gordon University, Scotland
- Helen Sheridan Chair of Economics, University of Massachusetts, Amherst
- Visiting Professor, University of Chicago
- Visiting Professor of Economics, Institute for Advanced Studies, Vienna
- Simon Visiting Fellow, University of Manchester
- Fellow, Institute for Advanced Studies in the Humanities, University of Edinburgh
- Visiting Professor, University of Essex

Additionally, he advises organisations, consultancies, governments and government agencies.

Alex is the author of the book *State Anarchy and Collective Decisions: Some Applications of Game Theory to Political Economy*, Palgrave (Macmillan), 2001. He has published over 30 papers in international journals and a number of research papers for governments and government agencies.



Robert Cunningham is a Lecturer in the Faculty of Law at The University of Western Australia. He presently lectures in corporate finance and securities regulation and international trade law. Robert has published in a diverse range of subject matter including biotechnology and international trade, open source licensing and corporate accountability. He is currently working on a doctorate concerning legal issues related to peer production and open source innovation. Prior to academia Robert maintained a practical engagement with the law in his capacity as solicitor by contributing to the provision of legal information, advocacy and education in the community legal centre sector.



Simon Dawkins is the General Manager of The Oil Mallee Association of Australia Inc (www.oilmallee.org.au) which has been in the forefront of developing carbon sequestration methodologies and bioenergy programs based on integrated agroforestry programs in the low rainfall areas of WA. These programs have strong environmental and NRM benefits. For two years Simon was also the Managing Director of the Oil Mallee Company of Australia Ltd.

Simon is an Economist with an extensive career in public sector management and strategic policy in the Commonwealth, ACT and WA Governments. This experience has included heading up two major performing arts centres in Canberra and Perth. His recent policy experience includes as Director of both the Social and Economic Policy Units in the WA Department of the Premier and Cabinet. During this time the work undertaken in that Department included climate change, sustainability, heritage and local government policies.

As the WA representative on a Commonwealth/State committees on Emissions Trading and Climate Change, Simon was involved in negotiating an approach to national policy in these areas. He also played an active role in the development of the legislative framework for the development of carbon sinks in WA and has attended 3 UNFCCC International Conferences including one as part of the Australian delegation (COP8).

Simon has a degree in Economics from UWA, a Graduate Diploma in Education from CCAE (now Canberra University) and a Master of Philosophy from City University in London and is a Fellow of the Australian Institute of Company Directors. He is currently the Warden of Convocation, the UWA Graduates Association.



Professor David Doepel is the Director of the Research Institute for Resource Technology at Murdoch University. The Institute's mission is to support strategic research initiatives that can better assist Western Australia to sustainably develop its resources - minerals, hydrocarbons, renewable energy, and the State's most precious resource, water.

Prior to this engagement David served as a Principal Policy Adviser to the Hon. Alan Carpenter, former Premier of Western Australia. He came to this position from the United States, where he was the inaugural Regional Director for the Americas, for the Western Australian Trade and Investment Office. In that role he was responsible for the State Government's strategic marketing efforts on behalf of industry in the Americas. In both positions David was a powerful advocate for Western Australian technology, creativity and innovation. David holds degrees from Murdoch University, the Melbourne College of Divinity and Boston University.



Guido Gadomsky is a strategy consultant with PwC in Perth. He holds an economics degree from Germany and an MBA from the US. He also is a CFA charter holder. Guido started his professional career as a derivatives trader for a European investment bank before he moved into management consulting which has taken him from Europe over the Middle East to Australia. Within PwC Australia he is considered the subject matter expert on Value Based Management and Economic Profit.



Dr Andrew Glikson is an Earth and paleo-climate scientist, Visiting Fellow at the Australian National University, Research School of Earth Science, the School of Archaeology and Anthropology, and the Planetary Science Institute. He graduated from The University of Western Australia, was a Principal Research Scientist with the Australian Geological Survey organization (now Geoscience Australia), conducted extensive geological surveys in central and western Australia, studied the evolution of the early Earth crust, the effects of asteroid and comet impacts on the Earth with reference to mass extinction of species, and the inter-relationships between human evolution and the atmosphere. He has an impact crater and an asteroid named after him by Eugene Shoemaker, late head of the United States Astrogeology Branch of the US Geological Survey.



David Hodgkinson is Special Counsel at Clayton Utz, a national Australian law firm, and a member of The Hodgkinson Group. He is also Executive Director of EcoCarbon, a non-profit industry partnership which builds capacity in emissions trading and other market-based mechanisms to reduce greenhouse gas emissions, and a Visiting Fellow at The University of Western Australia Law School. David was formerly Director of Legal Services at IATA, the organisation of the world's airlines, in Montreal.

He is the co-author of the book *Global Climate Change: Australian Law and Policy* (LexisNexis/Butterworths, 2008) and general editor and chapter author of the online service *Climate Change Law and Policy in Australia* (LexisNexis, 2009). With US law firm Condon & Forsyth LLP he is the editor of the quarterly newsletter 'Aviation and Climate Change.' He is the International Academy of Comparative Law's climate change rapporteur for Australia.

David holds a Bachelor of Arts degree with First Class Honours, a Bachelor of Laws degree and a Master of Philosophy degree. He was a postgraduate fellow at Columbia University in New York and is the recipient of an Evans Grawemeyer Fellowship awarded by the Australian Government for research and activities aimed at improving the global order.



Dr Carmen Lawrence is a Winthrop Professor in the School of Psychology at The University of Western Australia. After training as a research psychologist at UWA and lecturing in a number of Australian universities, Dr Lawrence entered politics in 1986, serving at both State and Federal levels for 21 years. She was at various times WA Minister for Education and Aboriginal affairs and was the first woman Premier and Treasurer of a State government. She shifted to Federal politics in 1994 when she was elected as the Member for Fremantle and was appointed Minister for Health and Human Services and Minister assisting the Prime Minister on the Status of Women. She has held various portfolios in Opposition, including Indigenous Affairs, Environment, Industry and Innovation and was elected national President of the Labor Party in 2004. She retired from politics in 2007. She is now a Professorial Fellow at the University of Western Australia where she is working to establish a centre to research the forces driving significant social change in key areas of contemporary challenge as well as exploring our reactions to that change. The centre will also seek to expose for public discussion the processes most likely to achieve social change where that is a desired objective.



Senator Scott Ludlum is Australian Greens Senator for Western Australia. Elected in November 2007, Senator Ludlam is the fifth Greens Senator for Western Australia and currently shares the balance of power in the Senate with four other Greens and two independent Senators. He is the Australian Greens' spokesperson for Legal Affairs; Broadband, Communications & the Digital Economy; Housing; Human Heritage; Local Government; Mining; Nuclear Issues; Public Transport; and Sustainable Cities. Recognising Australia's need to switch to a low carbon economy,

Senator Ludlam aims to ensure that all Western Australians benefit from the jobs and wealth created through harnessing our renewable resources and building sustainable communities. A keen participant in the Senate Estimates process, Senator Ludlam is also a member of a number of Senate Committees including: Environment, Communication and the Arts; Joint Standing Committee on Treaties; both the Senate and Joint Standing Committee on Foreign Affairs Defence and Trade; Legal and Constitutional Affairs; and the Select Committee into the National Broadband Network.



Professor Tom Lyons holds an established chair within the School of Environmental Science at Murdoch University and has published widely in refereed scientific journals and as well as providing a large number of reports to industry. His research has been directed towards the practical application of meteorological data and analysis towards the solution of environmental problems. In particular he has focused on the interaction between the atmosphere and the underlying heterogeneous terrain in addressing the climatic impact of land use change.

Professor Lyons is a former Executive Dean of Science and Engineering at Murdoch University and has held visiting appointments at Uppsala University, Sweden, Riso National Laboratory, Denmark and the University of British Columbia, Canada. He is a Fellow of the Australian Meteorological and Oceanographic Society and a former national President of that society.



The Hon Alannah MacTiernan (BA, LLB, BJuris, JP) was elected to the WA Parliament for the East Metropolitan Region (Legislative Council) in 1993 and, in 1996, was elected to the Legislative Assembly as the Member for Armadale. She was re-elected in 2001, 2005 and 2008. Alannah was the WA Minister for Planning and Infrastructure from 2001 – 2008 and is currently the Shadow Minister for Regional Development, Strategic Infrastructure and Climate Change. Prior to entering Parliament, Alannah had a career in commercial law and suburban newspaper publishing.



Dr John Marsden (PhD [ANU] and BEcon [WA]) is a director of Marsden Jacob Associates (MJA), a leading specialist consultancy providing high quality economic, strategic and public policy advice to government and the private sector across Australia and New Zealand. MJA has offices in Melbourne, Brisbane and Perth.

John has extensive experience in providing both strategic and detailed advice to water and other utilities on economic regulation, governance, pricing, property rights and environmental/natural resource economics.

He has particular skills in the areas of:

- regulatory pricing principles and their application;
- risk and cost of capital;
- property right and entitlement definition;
- trade and registry arrangements for natural resource-based assets;
- institutional arrangements for utility and natural resource management; and
- project integration, particularly of multidisciplinary issues.

John was appointed to the Australian Competition Tribunal for a five year term in 2003.



John Nicolaou is the Chief Officer of Membership and Advocacy and Chief Economist at Chamber of Commerce and Industry of Western Australia (CCI), Western Australia's peak business association. John has been with CCI since 2003, and during this time he has built a reputation as one of the state's most credible economic and business commentators. Over the years, John has been a strong advocate for key reforms aimed at fostering economic growth and development in WA. Mr Nicolaou has responsibility for CCI's core business functions of membership, industrial relations advocacy, policy development and external relations.

He is a member of CCI's Executive Management Team and is the Executive Officer of CCI's General Council. He is also a member of the Curtin Business School Advisory Board and recently joined the Board of KULCHA (Multicultural Arts Western Australia).

Prior to joining CCI, John spent a number of years at the Commonwealth and State Treasuries, working on key policy issues such as the development and implementation of the GST and other taxation reforms and National Competition Policy.

He is a graduate of The University of Western Australia, completing a Bachelor of Economics with First Class Honours in 1996, and in 2007 completed a Master of Business Administration, where he received a Director's letter for outstanding achievement.



Brad Pettitt is the Dean of the School of Sustainability and Associate Professor in Sustainable Development at the Institute for Sustainability and Technology Policy at Murdoch University. His research interests include climate change, local sustainability policy, international aid policy, and sustainability planning. Before returning to Murdoch University, Brad worked with Oxfam in Cambodia and with the Australian Government Aid Program, AusAID in Canberra.

Brad also serves on Fremantle Council since 2005 and currently chairs the Urban Development Advisory Committee amongst others.



David Ritter was for many years one of Australia's leading native title lawyers. He now holds a senior campaigns position for Greenpeace in London where he has worked on projects associated with oceans, forests and climate change. His first sole-authored book, *The Native Title Market*, was published by UWA Publishing this winter and his second, *Contesting Native Title* is slated for release by Allen & Unwin in November.



Ben Wyatt, MLA, was born in 1974 and, after spending his primary school years in the Goldfields and Perth, attended high school at Aquinas College, and, later, The University of Western Australia, where he obtained a Bachelor of Laws in 1996.

Ben was the Town of Victoria Park's Young Australian of the Year in 2001. He received a Rotary Ambassadorial Scholarship from the Rotary Club of Victoria Park for 2001 2002 and travelled to the UK where he achieved a Masters Degree with distinction from the London School of Economics.

After returning to Perth, Ben worked as a Barrister and Solicitor, and served as Counsel for the Director of Public Prosecutions in Western Australia. He has also served on the National Board of Indigenous Business Australia, and as an officer in the Australian Army graduating from the Royal Military College, Duntroon, in 1996. Ben was awarded the Australian Defence Medal in 2008.

Ben was elected to the Legislative Assembly in a by-election held in March 2006 to fill the vacancy created when the Hon Dr Geoff Gallop resigned.

Ben currently holds the Shadow Portfolios of Treasury and Federal State Relations. In addition to this, Ben holds numerous positions in local community groups.



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