Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.
Breakdown of governance: A critical analysis of New Zealand’s climate change response

A thesis presented in partial fulfilment of the requirements for the degree of

Doctor of Philosophy
in
Sociology

at Massey University, Manawatū, New Zealand.

Daniel Rimmer

2016
Abstract

This thesis critically analyses the organisation and practice of climate change governance in New Zealand. Grounded in neo-Marxist state theory, the research identifies and deconstructs the political and economic structures that have shaped New Zealand’s policy response to climate change from 1988 to 2012. The fourth Labour Government, acting in response to the emergent threat of anthropogenic climate change, initiated New Zealand’s Climate Change Programme (NZ CCP). Subsequent governments persevered with the NZ CCP; effecting a relatively continuous pattern of minimal interventionist and least cost policy change. This culminated in late 2008, with the passage of the New Zealand Emissions Trading Scheme (NZ ETS) – a comprehensive, all sector economic instrument that would impose a price on domestic greenhouse gases. Despite this policy change, the NZ CCP has failed as an ameliorative response to climate change. Between 1990 and 2012, New Zealand’s gross emissions increased by 21 percent. Furthermore, there has been little evidence to suggest that the response has encouraged either afforestation or greater investment in renewable energy. To this point, little progress has been made in decarbonising New Zealand’s economy. Using Marxian systems-analysis, the research treats this pattern of policy change as a case study of policy breakdown and dysfunctional governance. The predominant (and ineffectual) mode of governance practiced in New Zealand is argued an outcome of the contradictory structural dynamics of New Zealand’s capitalist state. In the first instance, the state is functionally obliged to develop remedial climate change policy in response to the existential threat of climate change. This involves the formulation of policy that directly intervenes in New Zealand’s productive sources of greenhouse gas emissions. However, in the second instance, the state is constrained in its policy-making activities by the systemic logic of capital. This precludes the formulation of authoritative interventionist policy capable of effecting behavioural changes in carbon-intensive actors. Moreover, the capitalist biases of New Zealand’s climate change response precipitate legitimation crises, further undermining the state’s ability to drive mitigation and adaptation efforts. Policy change wrought between discordant systemic imperatives is invariably subject to policy breakdown. As this dysfunction is structural in nature,
the thesis argues that modern capitalist states cannot practice a meaningful politics of climate change.
Acknowledgement

First and foremost, I’d like to acknowledge the incredible supervision of Paul Perry, Mary Murray, and Martin Sullivan. Your guidance, encouragement, and insight made this thesis possible. Even though we probably spent too much time in meetings talking politics (non-climate change related politics mind you) and other interesting yet tangential topics, your much appreciated attention helped shape both my scholarship and worldview.

I would also like to thank my family – especially for putting up with me while I scaled this mountain.
## Contents

Abstract

Acknowledgement

Contents

List of boxes

Abbreviations

Introduction

Chapter One
The sociology of climate change governance: a literature review

Chapter Two
Critical policy analysis and climate change governance: the research design

Chapter Three
Political contradictions of the modern state: an overview of Marxian systems-analysis

Chapter Four
New Zealand’s incipient Climate Change Programme, 1988-1990

Chapter Five

Chapter Six
Labour’s carbon tax and the response of private capital, 1999-2005
Chapter Seven
The troubled formulation of the New Zealand Emissions Trading Scheme, 2005-2008 174

Chapter Eight
Deepening the contradiction: the moderation of the NZ CCP, 2008-2012 200

Chapter Nine:
Discussion 229

References 262
List of boxes

Box 1: Materialist conception of environmental crises 55
Box 2: Voluntary agreements and energy reform measures 114
Box 3: The Stratford Inquiry 118
Box 4: The Greenhouse Policy Coalition 131
Box 5: The carbon tax 148
Box 6: Negotiated Greenhouse Agreements and Projects to Reduce Emissions 150
Box 7: Emissions trading 178
Box 8. Popular engagement in climate change politics 240
### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAU</td>
<td>Assigned amount units</td>
</tr>
<tr>
<td>CER</td>
<td>Certified emissions reduction</td>
</tr>
<tr>
<td>CH₄</td>
<td>Methane</td>
</tr>
<tr>
<td>CO₂</td>
<td>Carbon dioxide</td>
</tr>
<tr>
<td>CO₂-e</td>
<td>Carbon dioxide equivalent</td>
</tr>
<tr>
<td>CP1</td>
<td>Kyoto Protocol first commitment period</td>
</tr>
<tr>
<td>CP2</td>
<td>Kyoto Protocol second commitment period</td>
</tr>
<tr>
<td>ERU</td>
<td>Emissions reduction unit</td>
</tr>
<tr>
<td>EU ETS</td>
<td>European Union Emissions Trading Scheme</td>
</tr>
<tr>
<td>GCCR</td>
<td>Global climate change regime</td>
</tr>
<tr>
<td>GPC</td>
<td>Greenhouse Policy Coalition</td>
</tr>
<tr>
<td>IPCC</td>
<td>Intergovernmental Panel on Climate Change</td>
</tr>
<tr>
<td>MfE</td>
<td>Ministry for the Environment</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of understanding</td>
</tr>
<tr>
<td>MT</td>
<td>Mega tonne</td>
</tr>
<tr>
<td>N₂O</td>
<td>Nitrous oxide</td>
</tr>
<tr>
<td>NGA</td>
<td>Negotiated greenhouse agreement</td>
</tr>
<tr>
<td>NZ CCP</td>
<td>New Zealand Climate Change Programme</td>
</tr>
<tr>
<td>NZ ETS</td>
<td>New Zealand Emissions Trading Scheme</td>
</tr>
<tr>
<td>NZU</td>
<td>New Zealand Unit</td>
</tr>
<tr>
<td>ppb</td>
<td>parts per billion</td>
</tr>
<tr>
<td>ppm</td>
<td>parts per million</td>
</tr>
<tr>
<td>PRE</td>
<td>Projects to reduce emissions</td>
</tr>
<tr>
<td>RMA</td>
<td>Resource Management Act</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
</tr>
<tr>
<td>RMU</td>
<td>Removal unit</td>
</tr>
<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
</tr>
<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
</tr>
<tr>
<td>VA</td>
<td>Voluntary agreement</td>
</tr>
<tr>
<td>WMO</td>
<td>World Meteorological Organisation</td>
</tr>
</tbody>
</table>