

Gillard's Clean Energy Future Package—Paradigm Change Minus Valence Equals Failure

SEAN BARRY

Griffith University

It is now twenty years since Peter Hall wrote his influential *Policy Paradigms, Social Learning, and the State*. He argued ideas are important in political and institutional change, developed within what he called policy paradigms. Only rarely do ideas and the social learning they create lead to what Hall called *third order paradigm change*, which radically alters policy and leads to adapted goals and policy instruments. The Gillard government's *Clean Energy Future Package* (CEFP) was bold, challenging, and radical in the context of Australian reform and it was a good example of Hall's third order policy paradigm change.

The Abbott government, elected on an 'axe the tax' platform, quickly repealed the CEFP. Despite its repeal, the CEFP remains an example of rare, difficult-to-achieve third order change. The policy, however, failed to engender the emotional appeal or *valence* (policy 'stickiness') within the community. This paper, therefore, investigates the interplay between two key variables for understanding policy change—paradigms and valence. It concludes that policy-makers attempting third order change must consider the issue of valence if their policies are to endure.

Keywords: Australian politics; climate change; policy dynamics; ideas; ideational approach; policy paradigms

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Introduction

In 2011, The Gillard-led Labor Government introduced its *Clean Energy Future Package* (CEFP) that became law from 1 July 2012. This group of measures aimed to reduce Australia's contribution to increasing levels of greenhouse gas (GHG) emissions by firstly introducing a fixed carbon price, later converting to a market-based emissions trading scheme (ETS). The CEFP did not just alter environmental responses to the issue of climate change; it also instituted a structural economic reform aimed at taking advantage of opportunities offered in a changing world economy. Unfortunately it did not change the political economy concerning climate change within the Australian community. Climate change sceptics considered the reform a futile attempt to deal with a problem that does not exist, or if it does, it is not that serious and is just part of natural processes. Australia's current prime minister Tony Abbott (2009: 170-71) once wrote, 'climate change is a relatively new political issue, but it's been happening since the earth's beginning. The extinction of the dinosaurs is thought to have been associated with major climate change.' That may or may not be so, the difference for the world today is the rate of GHG emissions is increasing at its greatest rate in 800,000 years, coincidentally in the period since the start of the industrial revolution (IPCC 2014: 4). Refuting any idea an emissions trading scheme (ETS) was a legitimate method for dealing with GHG emissions reduction, Tony Abbott argued it was 'a so-called market in the non-delivery of an invisible substance to no-one' (Murphy 2013). Opponents also argued Australia should not act ahead of other nations as it is a relatively small country with small amounts of emissions (denying the country is by proportion one of the greatest emitters on earth and the highest per capita emitter in the OECD (2013: 19)).¹ The day after Labor's carbon price was announced, the current Minister for the Environment Greg Hunt (2011) argued against a carbon price ostensibly because of its costs to the Australian economy. However, his speech was dominated by assertions about how major emitters in the world had

¹ The OECD also reports that Australia is number eight in the OECD for overall emissions, ahead of countries with much larger populations such as France and Italy. Australia has increased GHG emissions by an average 30% between 1990 and 2010; marginally the third worst in the OECD after Mexico's 33% at number two. The World Resource Institute data ranks Australia at number 15 in the world in absolute terms for GHG emissions based on 2011 data, see <http://cait2.wri.org/wri>. After the Abbott Government removed the carbon tax and undid the bulk of the policies of the CEFP, Australia fell 21 places on a ranking of 61 nations (responsible for 90% of emissions) with regard to CO₂ when measuring climate change action policies, placing it 60 out of 61 reviewed countries—the worst performing industrialised country. Australia's performance is described as 'very poor'. This is in light of Australia having only .33% of the world's population, but is producing 1.14% of the world's CO₂ emissions. See, Burck, Marten and Bals (2014: 6, 9, 27).

yet to fully act on emissions reduction targets, justifying the Coalition's position why Australia should also postpone its action. Supporters reasoned Australia as a developed country with an economy dominated by resource exports has an ethical obligation in doing its share to combat the effects of global warming (Garnaut 2011: 34). Then, as now, these events occurred within a background of political undercurrents characterised by 'the wild oscillation of Australian public opinion on climate change and climate change action' (McDonald 2013: 455).

This paper reviews the literature about the role of ideas, social learning and Peter Hall's (1993) *policy paradigms*. Hall argued policymakers work within a framework called a paradigm that can be disaggregated into three orders of change. A paradigm describes which ideas and standards determine goals, the instruments to attain them and the very nature of the problems requiring consideration. I outline Daigneault's (2014b) framework for assessing policy paradigms using the CEFPP as a case study. I argue Australia's historical policy approach to reducing greenhouse gas (GHG) emissions constituted a policy paradigm as defined by Hall and Daigneault. This paradigm was weakly constructed and characterised by avoidance strategies coupled with postponing actual proper intervention into the future. This paradigm applied across the political divide, with many similarities in the approaches by Hawke, Keating and Howard Governments, despite some variations in emphasis of approach. Differences lay in the degree to which these governments accepted a problem existed, that required state intervention.

I contend the Gillard Government's CEFPP was a third order paradigm change within the meaning defined by Peter Hall (1993: 279-80). Hall contended third order change leads to paradigm shifts involving radical shifts in policy, and adapted goals and instruments. Gillard's CEFPP was radical because it used a market-based mechanism to reduce an environmental externality.

The paper then explains the concept of *valence* and its role in the durability of policy programs. Valence is the emotional quality people feel for a policy that increases its 'stickiness' or durability. I further argue that although political conditions of the period contributed to weakening public support for climate change policy programs, a lack of *valence* or emotional attachment played a major role. If a policy intervention such as the

CEFP had raised higher levels of emotional attachment within the community, the possibility of it enduring beyond the term of the Gillard Government might have been enhanced.

Ideas, social learning and policy paradigms — Hall's *Policy*

Paradigms, Social Learning and the State

Ideas lie at the heart of all change. Ideas affect politics and shape the policy choices of political leaders. According to Daigneault (2014b: 460), the question is no longer *whether* ideas matter in politics, but *how* they affect politics.² This has not always been the case, as during most of the post second world war period the role of ideas was, 'appreciated more by the newspaper reader than by the average political scientist or sociologist' (Mehta 2011: 23). Ideas affect the way policy actors view their interests and the political and social environment in which they operate, but political economy has neglected ideas as causal factors in policy change (Blyth 1997: 229) — 'a driving force in human progress' (Emmerij, Jolly and Weiss 2005: 212). Importantly, 'the study of ideas offers a comprehensive and cohesive focus for political analysis' (Béland and Cox 2011: 20).

At their simplest level (with regard to politics and policy change), 'ideas are subjective claims about descriptions of the world, causal relationships, or the normative legitimacy of certain actions' (Parsons 2002: 48). Emmerij, Jolly and Weiss (2005: 214) defined ideas using a nuanced, two-level approach in which ideas are both normative (broad and general about how the world should be) and causal (concerning operational motives, strategies and tactics). Ideas as beliefs are products of cognition, reflecting connections between people and the world, assisting them to define problems and in turn provide the basis and guides for action in the form of policy choices and solutions and even weapons of discourse (Béland and Cox (2011: 3-4); Mehta (2011: 25, 27); Béland (2009)).

For years, various outlooks such as pluralism, behaviouralism and Marxism dominated discussions examining political behaviour. During the 1980s and early 1990s a new body of literature arose, devoted to re-examining the role of the state and with it the role of ideas in

² These views are similarly expressed in Mehta (2011: 25).

policy transformation.³ The neo-state-theorists argued the state and its institutions were not simply a ‘transmission belt’ for socio-economic forces, but could indeed themselves influence political outcomes (Berman 2013: 229). As an important contributor to this literature, Peter Hall’s (1993) seminal article, “Policy Paradigms, Social Learning, and the State” (Policy Paradigms), considered what motivates the state to act.⁴ Hall’s theory of policy paradigms remains one of the leading accounts of how policy change occurs (Skogstad and Schmidt 2011), described by Berman (2013: 217) as ‘a classic in the social sciences.’ Hall (1993: 275) premised *Policy Paradigms* by asking two questions. First, ‘what motivates the actions of the state, if it is not the factors previously identified by pluralist analysis?’, and secondly, ‘how are we to conceive of the policy process if not as a response to societal pressure?’

Hall concluded the statist literature resulted in the rise of the concept he called, ‘policymaking as social learning’. Social learning builds as ideas in political life influence political outcomes, guided by actors who interpret past and present events and screen information to seek meaning (Berman 2013: 220). Questions about social learning prompted Hall (1993: 276) to examine more closely that process and more generally the course of policy-change. He concluded he needed to disaggregate the processes of social learning and in doing so determined policymakers work within a framework he called a *policy paradigm*. A paradigm describes which ideas and standards determine goals, the instruments to attain them and the very nature of the problems requiring consideration, a concept that can be partitioned further into three orders of change (Hall 1993: 279-80).

First order change is characterised by simple adjustments in current policy settings or instruments. Second order change utilises new types of policy instruments, but the

³ Examples include (but are not limited to): Stone (1988); Hall (1989); Hall (1993); Skrentny (1996); Skrentny (1996); Dobbin (1994); Rueschemeyer and Skocpol (1996); Berman (1998); Lieberman (2002); Steensland (2006). For reviews of some literature developing around the role of ideas in politics and policy, see Campbell (2002) and Berman (2001). On the twentieth anniversary of Hall publishing *Policy Paradigms*, a special issue of the journal *Governance* was devoted to the issue of the paradigmatic change of policy. For the introduction to that special issue, see Béland and Cox (2013).

⁴ At about the same time Hall published *Policy Paradigms* other scholars were also addressing the role of ideas in policy change. For example (whilst approaching the task differently) Baumgartner and Jones (1991) and Baumgartner (2013) arrived at similar conclusions to those developed by Hall. However, they concentrated (amongst other things) on the image a policy communicates within the polity. They argued the image of a policy may make it more attractive as an alternative or even reinforce the status quo. They agreed with Hall that new ideas can emerge at different levels, but they were less concerned with different grades of paradigm, instead concentrating on a single process of change. Change requires a systematic catalyst for change, such as crisis, see Baumgartner (2013: 242, 249).

underlying goals behind the policies remain the same. Real difference occurs in third order change that leads to a *paradigm shift*. In that case, there are not just radical shifts in policy, but also adapted goals and instruments used to achieve them. This is when interpretive frameworks change and new policy paradigms are adopted. In assessing the characteristics of paradigmatic shift, Hall noted similarities to the ‘Kuhnian image of scientific progress’. First order change shows features of ‘incrementalism’, ‘satisficing’ and routine decision-making, with second order adjustment moving just a step beyond these principles. Conversely, third order change parallels much in Kuhnian thinking in that, ‘change is likely to involve the accumulation of anomalies, experimentations with new forms of policy, and policy failures precipitating a shift in the locus of authority over policy and initiate a wider connect between competing paradigms’ (Hall 1993: 280). Following the publishing of *Policy Paradigms*, the body of literature examining themes raised by Hall proliferated.

Scholars discussed and refined Hall’s arguments, focusing largely on how ideas and discourse affect the process of paradigm shifts (Blyth (2002); Schmidt (2011); Henriksen (2013)). The emphasis of the work progressed from the state-centric point-of-view to historical institutionalism, then into ideational aspects, itself now a distinct subfield of the topic (Berman 2013: 220-23, 233). Ideational scholars argue ideas provide a much more powerful explanation for change, than other alternatives. For them, radical change occurs ‘as a proactive effort by political actors to reexamine their surroundings, reconsider their positions, and develop fresh new approaches’ (Béland and Cox 2011: 11). Asking why policy programs persist has resulted in some scholars suggesting *valence* plays a role (Cox and Béland 2013).

Originally derived from chemistry, valence describes the way the charge of an electron attracts atoms, one to another. Valence has found a role in other social sciences and more recently in public policy.⁵ Cox and Béland (2013) contend ideas can be attractive or repugnant. In turn, the emotional feeling a policy engenders helps to determine its path to success, failure or even paradigmatic status.⁶ This means skilled proponents for change need to sense the mood of the public and account for that feature. Valence identifies whether ideas

⁵ For example, electoral studies, cognitive and social psychology, economics and prospect theory, see Cox and Béland (2013: 310-12).

⁶ This view has some similarities to the preference for status quo preference arguments advanced by Padgett (1980); Baumgartner and Jones (1991); Padgett (1981) and Baumgartner (2013). These scholars also promote the importance of emotional connection being important in securing popular support for policy.

will be ‘sticky’, based on their emotional appeal. What is crucial to take into account is that the success or failure of policies (whatever the measure adopted) will have future implications for attempting to frame similar policy measures in a particular way (Mehta 2011: 43).

Considering valence should at least provide the would-be reformer with insight into timing and presentation of policy alternatives. Valence also becomes essential for supporting a durable paradigm shift. Assessing whether a shift has in fact occurred then becomes important for future attempts at reform.

Despite Hall’s *Policy Paradigms* now being over twenty years old, few scholars have devoted time to developing a framework aimed at interpreting social paradigms. Recently, Daigneault (2014b: 460) proposed a framework, designed to ‘improve the rigour and validity of studies devoted to policy paradigms.’⁷ Although some authors have provided critical insights into his work, they generally accept the merits of his approach (Baumgartner (2014); Wilder and Howlett (2014)). Daigneault (2014b); (2014a) has emphasised his framework is effectively preliminary and open to modification, but in fairness to him it provides an impressive starting point for ideational analysis. His framework is generally consistent with Hall’s original work and logically extends it in order to provide a method to interpret paradigms. Importantly, the structure proposed by Daigneault emphasises both the normative and cognitive roles for ideas in policy change. In characterising his framework, Daigneault (2014a: 481) asserts:

Within my framework, studying ideas in terms of the four dimensions – in short, values and principles, ideas about policy problems, ends and instruments – is a necessary first step in determining whether a policy paradigm characterizes a given setting. Indeed, scholars should never assume the presence/absence of a policy paradigm, but rather empirically test that hypothesis.

The features of his framework are explored in detail in Appendix 1. Daigneault’s framework will inform this paper’s examination in determining Australia’s historical paradigm for climate change policy and determining if a shift occurred in the CEFPP.

⁷ Daigneault’s arguments have been distilled into a table presented in Appendix 1. They are more clearly depicted in this form, rather than as they are originally argued within the narrative of Daigneault’s journal article.

Australia's historical struggle with climate change policy

Prior to the election of the Rudd and Gillard Governments⁸, Australia's responses to the challenges presented by climate change comprised a policy paradigm, but one unlike the paradigm to be later encompassed within the CEFP. A chronology outlining some of the past events concerning Australia's response to global warming have been summarised in Appendix 2. Chosen selectively, they comprise significant events in Australian climate change policy response. The underlying ideas reflected in these policies portray reasonably consistent views across governments and time. Since the 1980s a pattern was established wherein governments accepted a role for the state in climate change abatement, based on grand, unenforceable local targets aimed at reducing GHG emissions. These targets were designed following commitments provided in international climate change agreements, agreements made by nation-states to be followed by nation-states. For example, the Hawke and Keating Governments fixed targets based on international influences such as those reflected in the Toronto Target and the United Nations Framework Convention on Climate Change, but those targets were minimally supported by interventionist legislation, economic support and lacked binding targets (see Appendix 2).⁹ These modest, aspirational policy changes over time do not fit Hall's third order paradigm shift. The underlying goals for the programs changed little and they did not have support of new types of policy instruments to achieve those goals.

During his term as prime minister, Hawke enthusiastically supported the idea that change might occur through international cooperation. Hawke raised the prominence of global warming, but achieved little change, a 'missed opportunity' according to Staples (2009a: 161). He also enthusiastically formulated reduction targets that were never achieved and also avoided imposing a price on carbon. The idea of a price on carbon in some form had been around in the Australian policy environment for years. As early as 1991 the Industry Commission (1991) in its report *Costs and Benefits of Reducing Greenhouse Gas Emissions* encouraged Australians to investigate the use of a carbon price, but of course none was

⁸ Much of the content and spirit of Rudd's abandoned CPRS was adapted and included into Gillard's CEFP. Therefore, at its heart the CPRS constituted a potential third order paradigm shift.

⁹ The assessment that follows regarding historical paradigms of climate change relies on material outlined in Appendix 2. Therefore, arguments are based on sources for Appendix 2 and will not be constantly referred to in the narrative.

implemented. Crowley (2013: 370) asserts Labor governments of the period were hamstrung with their attempts at policy change by elements in the conservative press and the fossil fuel industry against the idea of a carbon price.¹⁰ Be that as it may, the Hawke Government clearly accepted innovation needed to occur, heralded such, but achieved little in abating emissions.

Once Keating assumed the role of prime minister, the policy issue of climate change slipped down the agenda. This may have been due to Keating's interests lying elsewhere, but he also had to contend with a serious economic recession (although Labor under Rudd and Gillard approached climate change policy reform in the shadow of the global financial crisis). Keating (who it seems did not want to introduce a price on carbon) used the threat of a carbon tax against industry in order to get its cooperation with the government's *Greenhouse 21C* strategy (Hamilton (2007: 50); Crowley (2013: 370)).

The Howard Government moved onus for climate change policy away from the Department of Environment to Foreign Affairs and Trade and incorporated it into the competing portfolio responsibilities of all departments. The 'national interest' became the determining measure of policy priority. This practice exhibited echoes of the Hawke Government's decision in 1990 that climate change policy would only be pursued if the economy was not detrimentally affected by the action. This might be characterised as further first order change and even perhaps sentiments of second order change as the policy prescriptions moved to reduce prominence and support even further. The state was being used to minimise the issue, rather than promoting the need for reform and GHG emissions reduction. Despite limited real reductions in emissions, Hawke and Keating had generally committed Australia to international agreements. Howard failed to ratify the Kyoto Protocol. Howard asked the Australian Greenhouse Office¹¹ to assess the idea of a domestic emissions trading scheme and then in early 2004 declared it would not pursue the idea until a binding international market was in place (Lyster 2004: 562). Howard's failure to ratify the Kyoto Protocol (despite demanding and receiving special concessions for Australia) exhibited a diminished role for the state in the process, contrary to the actions of his predecessors. There was a weak

¹⁰ This has also been a theme argued by other scholars, see Pearse (2007); (2009).

¹¹ In fairness to the Howard Government funding was provided to the Australian Greenhouse Office for programs Lyster (2004: 571-72), but emissions continued to increase.

acceptance of the idea of anthropogenic climate change, and a weakening of the need for public intervention, coupled with vague policy objectives. The Howard Government's action exhibits disingenuousness, apparently exploring options for change but clearly having no intention of implementing them. Lyster (2004: 563) argues Howard's actions were driven by narrow industrial interests opposed to real interest in reform. Howard only became interested in the issue of climate change as public opinion moved against him and the 2007 election loomed.¹² At that stage the emotion within the electorate was moving towards an increasing consensus for change.

In sum, in considering Daigneault's characteristics of a paradigm¹³, the historically accepted paradigm for climate change policy was one of subtle, headline price-neutral influence, initially responding to international agreements and later effectively rebuking them.

According to Beeson and McDonald (2013: 335), Australian governments had historically exhibited 'an overarching preference for voluntary and economically-neutral measures with limited direct impact on emissions levels, even during periods (e.g. 1990-1996) in which governments committed rhetorically to action on climate change.' These scholars generally and succinctly describe Australia's climate change policy paradigm that extended for a period of two decades. It could not be generally characterised as a practice involving the use of direct legislative influence designed to provide effective incentives or disincentives for behavioural change. Governments succumbed to the influence of the 'greenhouse mafia' of business interests opposed to climate change policy reform and the power of departments such as Treasury imposing its view of economic interests ahead of other national interests (Lyster (2004); Pearse (2007) Hamilton (2007); Pearse (2009); Staples (2009b) (2009a)). There was a clear acceptance of the challenge provided by global warming, at least by the Hawke and Keating Governments and to a lesser extent by Howard. Ends and objectives of

¹² On several occasions during a recent speech delivered by John Howard (2013: 12), he confirmed he was a climate change 'agnostic' and argued Australians also fell into this category. He contended his government was faced with a perfect storm of influences including drought, water restrictions, bush fires, the *Stern Review on the Economic of Climate Change* and Al Gore's film, *An Inconvenient Truth*. These meant his government was influenced to support an ETS because of a political atmosphere 'very conducive to people wanting something done about global warming', rather than his genuine support for change. It has been reported that John Howard used different words in the delivered speech saying, 'to put it bluntly "doing something" about global warming gathered strong political momentum in Australia', see (The Australian 2013). An apparent earlier version of the text is shown at http://australianpolitics.com/downloads/howard/13-11-05_howard-speech-to-global-warming-policy-foundation.pdf.

¹³ See point 2, Appendix 1.

the approach (such as it was) were nonetheless clear. Ambitious GHG emissions reduction targets were set and never achieved. The outcome under both Labor and Coalition Governments was Australia's emissions actually increased by 4.6 percent between 1990 and 2006 (Garnaut 2008: 255). The weakness in the paradigm lay in the means with which the targets were to be achieved. Ambitious, aspirational GHG emissions reduction targets were not coupled with any persuasive policy initiatives to encourage behavioural change. A carbon price as an idea was first examined but ignored by Hawke, used as political tool of power by Keating and then finally exploited by Howard in a blatant and desperate attempt to retain government. This traditional paradigm, however, was to be shaken forever with the introduction of the CEEP.

The Gillard Government's CEEP — third order paradigm change with poor valence

The then Labor opposition presented itself as a pro-climate alternative to the Howard Government that was itself in the process of seeking re-election in 2007. Climate change had provided the Labor Party with an electoral advantage (Mc Allister, Bean and Pietsch 2012: 194) and it wished to exploit its position. Once elected, Rudd's (2007a) first official act as prime minister was to ratify the Kyoto Protocol, sending a strong message about what he saw to be one of the defining issues for his government. His actions rode a wave of historical popularity about the issue, in turn raising expectations for change (Saul et al. 2012: 106).¹⁴ Kevin Rudd's (2007b) famous and often quoted remark about climate change being 'the great moral challenge of our generation' further elevated the issue of global warming in the public consciousness, wherein the majority of the Australian community supported reform. In 2008, The Lowy Institute (Hanson 2008: 12) concluded from its yearly polling results that, 'this year climate-related issues topped the list of possible threats to the vital interests of Australia.' Despite these raised expectations and the positive act of ratifying the Kyoto Protocol, 'finding a domestic policy solution that would reduce greenhouse emissions proved more difficult' (Mc Allister, Bean and Pietsch 2012: 195). Unfortunately, the Rudd Government vacillated about the issue of climate change. Saul et al. (2012: 109) argues Rudd

¹⁴ Mc Allister, Bean and Pietsch (2012: 195) note that research conducted for the Australian Electoral Study 2007 found 67% of those surveyed supported ratifying the Kyoto Protocol and only 8% opposed it.

was ‘spooked’ by widespread disappointment with the Copenhagen conference, Abbott’s sustained attacks on the policy and the imminent 2010 federal election. Rudd postponed action on his *Carbon Pollution Reduction Scheme* (CPRS) and weakened Labor’s ascendant position about dealing with climate change.¹⁵ Although the CPRS was criticised by a number of interested parties on opposing sides of the debate (Macintosh, Wilkinson and Denniss 2010: 204-05), at least a GHG reduction policy would have been implemented.¹⁶

Subsequently, the Abbott-led opposition found it simpler and more politically advantageous to reject the concept of carbon trading all together. The obvious natural ally of the policy, the Greens, dashed Labor’s hopes of implementing Rudd’s CPRS. The CPRS was too extreme for the Coalition, but not radical enough for The Greens. The inability to progress consistent policy proposals and retreating from previously strongly argued policy positions contributed heavily to plummeting popularity and the eventual replacement of Rudd with Gillard (Macintosh, Wilkinson and Denniss (2010: 199); Mc Allister, Bean and Pietsch (2012: 195)).

Crowley (2013: 372) asserts Rudd enjoyed a policy window open to him to introduce the reforms based on the normative, political and policy circumstances surrounding him, one he wasted. In the lead-up to the 2007 election, the Howard Government had received the final report from its own task force and pledged to introduce an ETS, despite refusing to ratify the Kyoto Protocol.¹⁷ There existed fertile ground for consensus, but Rudd sought power with his own plan and failed to properly cooperate with Howard. At that stage the issue of an ETS, even if initially an imperfect one, would have settled the Australian political position in a bipartisan fashion. A similar example of collapsed bipartisanship occurred in 2009 when the Rudd government gained initial support from the Turnbull-led federal opposition for a carbon price. In order to politically wedge the opposition on the policy, Rudd overplayed his hand, weakened his own position and contributed to conditions allowing Abbott to replace Turnbull. This effectively extinguished all hope of bipartisanship about a carbon price into

¹⁵ Rudd’s postponement of the policy followed two years of policy changes and proposals that did not meet the strength of earlier rhetoric, see Macintosh, Wilkinson and Denniss (2010: 202-08).

¹⁶ The government gave way to pressure from industry lobbyists and amended the CPRS. Business still complained and by that stage environmental groups were highly critical at the concessions and the widening distance between the government proposal and Garnaut’s original recommendations.

¹⁷ Howard (2013: 12) argued he could not ratify the protocol, as it would have ‘imposed burdens’ on Australian industries, not imposed on developing countries.

the foreseeable future.¹⁸ Whilst the Rudd Government's experience with the CPRS created negative consequences for future attempts at introducing a carbon price, the outcome was not entirely bleak. The CPRS provided a blueprint as a policy response for the later CEFP, following on the extensive preparatory work conducted by Garnaut (2008). The CPRS also provided Gillard with social learning about the policy issue, after the experimentation with and failure of the CPRS in the Kuhnian description of paradigm shift (Hall 1993: 280).

As previously mentioned, the Gillard Government's CEFP commenced in 2012, but as a policy measure it was relatively short-lived. The Abbott Government repealed the carbon price in 2014 and with the support of the Palmer United Party and some other independent senators successfully introduced legislation to support its *Direct Action* program. By proposing changes to the Renewable Energy Target, replacing the Climate Change Commissioner and abolishing the Climate Commission, the Abbott Government largely unwound the Gillard climate change policy platform. Just because the CEFP no longer exists, does not mean it was not a paradigm and did not constitute a third order paradigm shift from previous experience.¹⁹

Table 1 depicts major elements of the CEFP policy program. The assessment shows the CEFP exhibited the four fundamental dimensions to qualify as a policy paradigm explained by Daigneault.²⁰ First, the CEFP showed the government saw the *appropriate role of the state* was to intervene and use a legislative response to deal with GHG emissions. The state created the CEFP utilising independent advice and then formed the *Climate Change Authority* to continue that role. There was support for a distinct role for the state in the process, with a

¹⁸ Brendan Nelson had struggled with his party room before being replaced by Turnbull. Turnbull's own problems came to a head when he took his negotiated package to the party room knowing the Nationals would all reject it, as would a number of Liberals, see Macintosh, Wilkinson and Denniss (2010: 208). It seems the matter had dragged on too long with Rudd's negotiations to gain political advantage over Turnbull that gave the Coalition members time to rally support against Turnbull in favour of Abbott.

¹⁹ Something needs to be said generally about paradigm shifts. Just because a policy is not durable, does not mean it cannot constitute a paradigm shift within Hall's arguments. Hall originally examined changes that occurred in Britain away from the Keynesian economic approach, to the monetarist model. Although the latter today remains the zeitgeist in developed economies, it cannot be argued it is a pure paradigm. From time-to-time Keynesian principles emerge in the form of state intervention in the economy, most recently and notably in economies such as the United Kingdom, the United States and Japan to deal with the ongoing effects of the global financial crisis. Just because the CEFP as a policy prescription did not effectively endure beyond the election of the Abbott Government, does not mean it cannot qualify as an example of third order paradigm shift. The expanded interest lies in the reasons it was not durable.

²⁰ See Point 2, Appendix 1, 'Policy paradigms possess four fundamental dimensions'.

mind to concerns about social justice and the nature of reality (with compensation allocated for social justice and electoral reasons). It was the state acting to effect change in this policy area as it appears only the state has the capacity and will to do so.²¹ The policy was not of itself a result of societal pressure, as by that stage Australians were becoming less interested in issues surrounding climate change.²² Rather, the prevailing political conditions of minority government, influenced by pre-existing climate change policy analysis and ideas within the ALP that the program might be politically, environmentally and economically successful drove Gillard to act on the CEF. Daigneault (2014b: 456-57) contends some stimulus motivates change (Gillard's need to form government), paradigms are the means through which change occurs (the CEF), and political actors (Gillard Government, the Greens and two federal independents (Gillard et al. (2010b); (2010a))) are the motors for reform.²³

²¹ Mikler and Harrison (2013) recently conducted interviews with key office-holders in those publicly listed Australian companies integral in reducing GHG emissions. They found that governments must take the lead and that business is generally not interested in supporting moves at reducing GHG emissions unless it receives support from government (Mikler and Harrison 2013: 427).

²² In 2008, The Lowy Institute (2008: 12) concluded from its yearly polling results that, 'this year climate-related issues topped the list of possible threats to the vital interests of Australia.' Since 2006 The Lowy Institute has asked Australians as part of its research this question, 'global warming is a serious and pressing problem. We should begin taking steps now even if this involves significant costs'. In that year, 68% of Australians polled maintained this position, a peak for support of this question. By 2012 only 36% answered in the same fashion, confirming a downward trend in concern between 2006 and 2012 (although support has climbed since then to 50% in 2015) (Oliver 2015: 1, 13).

²³ Also see Finnemore and Sikkink (2001: 406).

Table 1 — Overview of the Gillard Government’s *Clean Energy Future Package*²⁴

Unconditional 5% reduction in emissions on 2000 levels by 2020 — may increase to 10-25% based on international events,
Fixed price on carbon from 1 July 2012 — initially \$23 per tonne for three years
Emissions Trading scheme from 1 July 2015 — market price on carbon — link with European Union scheme
Stationery energy sector included — industrial processes; fugitive emissions; non-legacy waste; transport (with some exceptions)
Agricultural/light on-road emissions exempted
Small businesses/households exempted
Australia’s 500 largest polluters subject of CEFPP
Tax raised given back in tax cuts — support for jobs in affected industries —increased benefits for households
Clean Energy Finance Corporation to use \$AUD10 billion to invest in renewable energy, energy efficient, low pollution technologies
Renewable Energy Target used to assist in establishing renewable energy — \$AUD20 billion available — 20% renewable electricity target to be achieved by 2020
Climate Change Authority created — independent advice on climate change issues (eg performance of carbon price; caps on pollution)

Elements of the CEFPP also reflected the government held a *conception of the problem* to be addressed. The first aim of Labor’s carbon-reduction proposals was to reduce Australia’s carbon-based emissions using preset targets, both now and into the future. When Julia Gillard replaced Kevin Rudd as prime minister in June 2010, she said it was her intention to lead a government pursuing renewable technologies. Gillard (2010a) stated she accepted the science of climate change, that human beings ‘contribute’ to it and it was disappointing to her that no carbon price existed. When she later introduced the carbon tax to parliament in 2011, she further emphasised the environmental and economic credentials of the CEFPP (Gillard 2011). In her speech the then prime minister also explained how the policy would interact with international attempts to reduce emissions and address issues of climate change.

The third aspect for Daigneault is the *policy ends and objectives*. Gillard confirmed an emissions reduction target within the CEFPP, with options to increase depending on what occurred in the international arena. Additionally, funds contributed to the Clean Energy

²⁴ The table was prepared from detail provided in a ministerial statement delivered by the then Minister for Climate Change and Energy Efficiency, see Combet (2012).

Finance Corporation and the Renewable Energy Target were designed to expand renewable and low-carbon technologies. Clearly the ideas underlying these objectives were to expand the conception, design and manufacture of new technologies.

Lastly, in terms of Daigneault's four fundamental dimensions of a paradigm, it is clear that the CEFP was the *appropriate policy 'means'* to achieve the objectives set by the government. The process began with Gillard's (2010b) agreement with the Greens to create a committee (the Multi Party Climate Change Committee) to review how a carbon price might be introduced. The Committee accepted Garnaut's (2011) recommendations on the nature of the scheme. This was, in turn, immediately accepted by Gillard and the Committee's recommendations became the substance of the CEFP. The literature generally concludes market-based approaches are more effective at dealing with GHG emissions reduction than regulatory controls, even more price effective than the alternatives.²⁵ For its part, the IMF (2014: 1) has argued:

Fiscal instruments (carbon taxes or similar) are the most effective policies for reflecting environmental costs in energy prices and promoting development of cleaner technologies, while also providing a valuable source of revenue (including, not least, for lowering other tax burdens).²⁶

This means the Labor approach of initially setting a carbon price leading to an ETS was generally consistent with current international best practice. The other elements of Daigneault's four fundamental dimensions of a policy paradigm were also present in the CEFP. Importantly there was internal coherence²⁷ in the CEFP policy paradigm in that the dimensions were compatible with one another and were logically consistent. Revenue earned by the scheme was to be returned to the community in compensation for higher cost of

²⁵ For a discussion of the literature on the effective nature of market-based mechanisms, see Heine, Norregaard and Parry (2012: 6). Support for pricing carbon has recently been the subject of positive discussion by authors for the IMF, see Krupnick and Parry (2012). Recently, Freebairn has compared the Australian carbon price (price signal) with the Coalition's *Direct Action* plan (subsidy). He concludes that the carbon tax was more cost effective per unit of GHG than Direct Action; was simpler and easier to operate; had lower transaction costs; was more budget neutral; and at least as distributive to households as Direct Action might be. He argues that Direct Action would require a much higher rate of subsidy to achieve similar results to that of the carbon tax. See, Freebairn (2014).

²⁶ These arguments for the revenue aspects of a carbon price were highlighted in an earlier report prepared for the IMF, see Parry, van de Ploeg and Williams (2012: 32-34).

²⁷ See point 3, Appendix 1.

living expenses and to establish large funds that would promote the development of innovative and renewable technology industries in Australia.

Table 2 shows in brief, general terms, a comparison of the historical approaches to climate change policy with the CEFPP. The comparison supports the argument that a paradigm shift did occur within the latter policy. Whether the program was successful or satisfied all interest groups is not a relevant question in assessing a paradigm shift. Those influences instead may affect the durability and valence of the policy program. There was now a coordinated, national approach, certainty for private businesses wishing to invest in renewable technologies and a clear role for the state.

The policy window of opportunity for the CEFPP opened once Gillard received support for her minority government. Crowley (2013: 368, 370) contends vested interests and historical ambivalence to GHG emission reduction policy acted as a major stumbling block to change. The result was pricing on carbon was hardly inevitable in the Australian context, being better characterised as a historical aberration founded on opportunity (Crowley 2013: 381). Twenty years of procrastination by various Australian governments only goes to prove her point. Even though the CEFPP was a significant breakthrough it was achieved only as a result of shifting political dynamics and a policy window opening in time for the reforms to come to the fore (Crowley 2013: 369).²⁸ As Crowley (2013: 369) further argues, ‘policy windows can only deliver a breakthrough where there is a viable solution readily available in the policy stream.’ The ideas fomented into Rudd’s failed CPRS and lay in wait to be re-enlivened into the CEFPP, it is unlikely the policy would have been implemented or could have been implemented in the time-frame that it was. The difficulty for Gillard was whilst the policy window to pass the CEFPP existed in the parliament; it was closing for a majority in the community.

²⁸ In her article about the circumstances that gave rise to the CEFPP, Crowley adopts the arguments proposed by Kingdon (2011: 166-208) regarding how policy is developed by a policy entrepreneur who waits until an opportunity arises to promote the policy due to the prevailing political conditions of the day. This concept connects into the idea of valence. There can be a correct and incorrect time for a policy to rise.

Table 2 — Comparison of historical climate change paradigms and the CEFP

Daigneault’s four fundamental dimensions of Paradigms	Pre Carbon Price Approach	The CEFP Approach
Nature of reality and role of the state.	State is mostly passive participant in process of change – encouraging change in private market by adopting international targets for GHG emissions reduction – limited expenditure by state for reform – Australia should not be world leader or even minority follower.	State comprehensively legislated for CEFP, state to administer reform through market-based initiatives – CEFP to be part of international carbon-trading scheme – Australia accepting role as active international participant in change – reallocation of resources from major polluters to income tax payers and welfare recipients.
Conception of the problem requiring public intervention.	Reducing GHG emissions – Australia should wait until major emitters take more aggressive action – passive approach.	Reducing GHG emissions to accord with international agreements – Australia needs to part of international reforms – active approach.
Ideas about which policy ends and objectives should be pursued.	Government education campaigns – ad hoc and vague policy objectives to simply reduce emissions.	Connect into international ETS – also social and economic reform with allocation of substantial resources.
Ideas about appropriate policy ‘means’ to achieve those ends.	Subtle use of education campaigns to influence personal behavior – essentially voluntary change in community and industry – use of government expenditure to fund ad hoc projects across the nation eg. planting trees – emissions increased over period of both Labor and Coalition governments.	Mandated government scheme based on market-based mechanism placing a price on carbon to be paid by major polluters, not state expenditure – at first fixed price to later convert to cap-and-trade ETS – use of Clean Energy Finance Corporation, Renewable Energy Target to promote renewable industries – use of Climate Change Authority for independent advice – early signs of reducing emissions.

Whilst the Gillard Government lost power for a multitude of reasons, the handling of the carbon price was certainly one factor in the backdrop to the election (Bean and Mc Allister 2015: 411). The Gillard Government was born into difficult political conditions affecting the entirety of its term. The legacies of Rudd’s inability to translate many of his ‘big-picture’ policy ideas into real change also shaped the government. Much of the media and the Opposition painted the CEFP as pointless, economically irresponsible, and Labor as incapable of delivering major programs, untrustworthy and deceitful.²⁹ Personal attacks on

²⁹ Many of these themes manifested themselves in newspaper coverage across the country, surrounding the announcement of the CEFP (Bacon 2011: 39). Bacon (2011: 11) found that between February and July 2011

Gillard reached a level perhaps unseen in Australian living memory. Gillard faced the obstacles of deposing a sitting prime minister, a broken promise of not introducing a carbon tax (Gillard 2010b), and being a woman.³⁰ Given declining support for action on climate change, the general public disengaged from the government and the ideas underlying the initiative.³¹ Australians failed to emotionally connect with the CEF. If the CEF was well supported, it would have been more difficult for the Coalition to repeal it, or for the cross-bench Senators to support them. Strong valence for the CEF did not exist.

The dynamic character of valence manifests itself in four important factors, relevant across ideational literature and development of propositions for reform (Cox and Béland 2013: 309).³² Those factors also assist here in assessing matters that weakened durability of the CEF. First, there is a time expiration factor for ideas; initially they have a fresh status that fades, making them far less attractive. When Rudd became prime minister, he raised expectation for climate change policy reform. The collapse of the CPRS created a number of problems for Rudd and subsequently for Gillard. Ideas that were fresh under Rudd faded, and became less attractive to the electorate. Secondly, timeliness of an idea is important; windows for change create opportunities that both open and close.³³ Ideas also rise in importance as actors assess whether they may be used as weapons or road maps in political battles and whether others may accept them more easily because of their 'fit' in the context of the presented challenge (Berman 2013: 228-29). The timeliness of introducing the CEF was not ideal. A practical policy window opened with conditional support of the Gillard Government allowing the CEF to be introduced. However, popular support in the community where it was required was not present. Thirdly, higher levels of abstraction in ideas can increase the intensity of their attraction, whereas when they are narrowly focused they can suffer from less appeal. Abstract ideas (for example dignity or freedom) have more

there was overwhelmingly negative coverage of Gillard's carbon policy proposals. Measured from ten major newspapers the negative stories outweighed the positive, 73 percent to 27 percent. Also see, Thompson (2011); Karoly et al. (2012).

³⁰ Many of these issues are now being addressed in a growing literature on Gillard and her government. For a recent review of monographs, see Curtin (2015).

³¹ Opposition to carbon pricing and an ETS was still strong in 2013 (Oliver 2013: 11). This was despite the number against it falling from 63% in 2012 to 58% in 2013. Unfortunately for the Gillard Government, by 2013 only 36% were in favour of the scheme.

³² These points seem to challenge the place of traditional theories such as rational choice theory and interest-based arguments, for in valence, emotion drives preference and consequent change.

³³ The concept of a *policy window* is something developed extensively by Kingdon (2011: 165-208).

potential to create higher levels of valence, evoking strong emotions, causing people to react more strongly to the policy. Gillard did not use higher levels of abstraction when she introduced the carbon price. Instead, her government attempted to provide as much detail as possible to the community concerning the carbon price. Abbott profited from reducing the anti-carbon price campaign to higher levels of abstraction, for example calling it ‘a giant new tax on everything’ (Taylor 2009). Lastly for Cox and Béland, policy entrepreneurs perform a pivotal role in both defining ideas and making them legitimate to others. In this case Gillard suffered from the legacy of Rudd and his postponed CPRS. She had been the deputy prime minister under Rudd. She had involved herself in leadership battles, made statements about not introducing a carbon tax, and suffered from continued destabilising effects from within the ALP over leadership. Personal attacks on her and the other problems that plagued her government all weakened her opportunity to be the entrepreneur the CEFPP required and deserved. In fairness to Gillard she did try to create some valence. The compensation provided in the program exhibited fairness and equity for those on lower incomes (and indeed for most of the electorate). Regrettably for the CEFPP, the political conditions of the period overwhelmed the development of emotional attachment for the majority of Australians.

Conclusion

This paper has shown the CEFPP stood as an example of a policy paradigm and an instance of third order paradigm shift. Though the policy was repealed, this does not detract from its importance as an example of this rare policy event, perhaps even acting a ‘historical aberration’ in an Australian sense (Crowley 2013: 381). The political conditions of the time provided the policy window of opportunity under Gillard’s minority government for reform to take place. Those same political conditions also meant the CEFPP as a policy change was under pressure from its outset. Whatever conditions worked against the Gillard Government and the CEFPP, many Australians did not form an emotional attachment to the policy that might have enhanced its popularity and in turn its chances of durability.

Valence becomes important in not only assisting reformers to implement policy initiatives, but also to assist durability of the change. It is likely the CEFPP was never going to persist beyond a change of government, given the unusual political conditions of the period. However, stronger valence in the electorate may have convinced minority Senate members

the policy was one Australians wish to retain. It would then have become entrenched over a period of years and become much more difficult to later repeal.

It is suggested at some stage Australian society will again have to consider a carbon price, as the international pressure for change builds. Some of the same issues that plagued the CEFPP may again arise for a would-be reforming government. That future administration will need to build valance and the factors affecting it in local Australian conditions need to be understood. Climate change policy has been variously described as a ‘diabolical problem’ (Garnaut 2008: 287-88) as well as ‘wicked’ and ‘malign’ (Downie 2014: 6-7), given the community’s psychological resistance to change. Reformers will not be able to properly effect change in attitudes or behaviour in this area of policy, unless the psychological underpinnings of the electorate’s views about global warming are taken into account. The views motivating individuals are important, but their collective action is needed if real change is to occur. Gifford, Kormos and McIntyre (2011: 802, 820) argue:

That collective emotions and collective decision-making must be considered in order to fully encourage mitigative behaviour. ... Anthropogenic climate change involves a complicated interplay of intrapersonal, interpersonal, and contextual factors, and this interplay varies across GHG-emitting behaviors. Understanding these interconnected influences is necessary for developing effective intervention strategies.

To implement such a policy would again constitute third order paradigm shift and the government of the period would need to ensure any policy change engenders an emotional attachment within the electorate. Research should be directed at this area of interest to assist social learning for the future when a policy window again opens for substantial climate change policy reform.

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Appendices

Appendix 1 — Guidelines to assist with improving rigour and validity of studies of policy paradigms.³⁴

<p>(1) Policy paradigms are normative and cognitive ideas, intersubjectively held by policy actors — ideas allow actors to interpret the world giving insight to philosophical and value assumptions (Surel (2000); Parsons (2007); Skogstad and Schmidt (2011)) — because they are ‘intangible’ does not mean they are unimportant and cannot be measured (Parsons 2007).</p>
<p>(2) Policy paradigms possess four fundamental dimensions:</p> <ul style="list-style-type: none">i) values, assumptions and principles about the nature of reality, social justice and the appropriate role of the State;ii) a conception of the problem that requires public intervention;iii) ideas about which policy ends and objectives should be pursued; andiv) ideas about appropriate policy ‘means’ to achieve those ends (i.e. implementation principles, type of instruments and their settings). <p>Hall’s original 1993 paper considers points ii) to iv) (Hall 1993: 279).</p>
<p>(3) Internal coherence is a necessary condition for the existence of a policy paradigm — the contents of the above four fundamental dimensions must be compatible and logically consistent.</p>
<p>(4) Significant changes on all four dimensions of the concept of policy paradigm are a necessary and sufficient condition for a paradigm shift.</p>
<p>(5) Descriptive studies of policy paradigms should primarily rely on direct evidence of policy actors’ ideas and beliefs, which can be supplemented with, but not replaced by, indirect evidence of policy change in the expected direction — cannot be replaced by direct evidence revealed by policy actors in evidence such as interviews, official documents such as parliamentary proceedings, speeches and press releases, newspapers articles, memoirs and scholarly literature — requires interpreting as actors can obviously lie and so the use of multiple paths for triangulation of evidence is useful (Campbell 2004).</p>
<p>(6) Studies of policy change should focus on the ‘material’ dimension of policy as much as possible — there is the problem of determining the point at which a policy paradigm ends and an actual policy begins and ends — Daigneault labels this the ‘Siamese twins issue’ (Daigneault 2014b: 458).</p>
<p>(7) Ideas, including policy paradigms, influence policy dynamics through a ‘logic of interpretation’ — policymaker’s attitudes are explained by what they see as possible and/or desirable (Parsons 2007: 13) — no matter what level of analysis is attempted, the influence of ideas on policy must be traced back to the level of the individual.</p>

³⁴ Developed from Daigneault (2014b: 460-64).

Appendix 2 — Chronology of events surrounding climate change response in Australia³⁵

Date	Event	Significance
3 April 1989	Senator Graham Richardson took first submission to Cabinet in Australian history on issue of climate change.	Submission proposed to reduce GHG emissions by 20% based on 1988 levels, by 2005 (the ‘Toronto Target’) — rejected by Cabinet — Treasury opposed policy suggestion arguing science was still too uncertain to waste public money.
October 1990	Hawke government adopted Interim Planning Target.	Climate policy aimed at stabilising GHG emissions at 1988 levels by 2000 (Interim Planning Target) — effectively agreed to the Toronto Target) — later increased reduction target to 50% — not enshrined in law or policy, not achieved — proviso of no action if the economy was affected by the changes.
12 June 1992	United Nations Framework Convention on Climate Change (UNFCCC) initially signed by 154 countries including Australia — commonly known as the ‘Earth Summit’.	Agreement to reduce GHG emissions to deal with anthropogenic climate change — few specific obligations.
December 1992	Earlier goals reflected in the <i>National Greenhouse Response Strategy</i> (NGRS).	The Strategy detailed a range of measures to deal with GHG emissions and meet commitments agreed to in UNFCCC — can be characterised as low- or no-cost measures to achieve targets — non-binding — targets not achieved.
29 March 1995	Labor Government introduces the <i>Greenhouse 21C</i> strategy.	The government realised by 1994 that the NGRS was not meeting targets — budget of \$63 million was allocated — set further targets — voluntary and non-binding — targets not achieved — Keating ‘persuaded’ industry to agree to program by threatening to pursue carbon tax (Hamilton 2007: 50).
1996 – 1997	Revised climate change policy strategy under new Howard Coalition Government.	Responsibility for climate change moved from Department of Environment to Foreign Affairs and Trade — emphasis on climate change action reduced under new policies heralding primacy of ‘national interest’ first.

³⁵ The data in this table was prepared from a variety of sources, including Kay (1997); Wilder and Fitz-Gerald (2008); Macintosh, Wilkinson and Denniss (2010); Guglyuvatyy (2012); Saul et al. (2012); Beeson and McDonald (2013); Crowley (2013); Talberg, Hui and Loynes (2013).

1 April 2001	Howard Government introduces Mandatory Renewable Energy Target (MRET).	Mandated that by 2010 electricity retailers and other large electricity buyers source an additional 2% (above 2001 levels of about 8%) of their electricity from renewable or specified waste-product energy sources — in addition annual targets were defined.
June 2001	Senate committee delivers its report entitled <i>The Heat is On: Australia's Greenhouse Future</i> concerning government's climate change policies and programs.	Report criticises the Howard Government's responses to climate change rejects — in response the government rejects criticisms and publishes its own response.
Adopted 11 December 1997 Into force 16 February 2005 Expired 31 December 2012	Kyoto Protocol.	Acknowledged anthropogenic climate change with measurable targets for reduction in GHG — final list of 192 parties — Howard government demanded concessions, received them — announced on World Environment Day in 2002 it would not ratify protocol, arguing damage to the Australian economy.
10 December 2006 Reported 31 May 2007	Prime Ministerial Task Group On Emissions Trading established	Purpose to advise on global emissions trading scheme (ETS)
4 June 2007	Howard Government announces it will establish an ETS.	Major change in approach from Howard Government in lead-up to federal election — despite some differences, first time major parties in unison about practical approach to GHG emissions.
28 September 2007 (Date of assent)	<i>National Greenhouse and Energy Reporting Act 2007</i> (Cth)	Created mandatory reporting system for companies and GHG emissions with monetary penalties for non-compliance — enacted in twilight of Howard Government.
3 December 2007	Rudd Government ratifies Kyoto Protocol	First act of new government indicating its importance — allowed Australia a set at table of twin tracks of UNFCCC and Kyoto Protocol — in election campaign ALP proposed 60% reduction in GHG based on 1990 levels, by 2050.
30 September 2008	The <i>Garnaut Climate Change Review</i> released	Recommends what might be called an economically and environmentally “pure” ETS — limited concessions to industries and no free permits — updated report released on 31 May 2011.
15 December 2008	White Paper on approach to climate change published by Rudd Government	Plan for ETS to commence in 2010 — target range of reducing GHG between 5% and 15% on 2000 levels, by 2020.
4 May 2009	Government delays introduction of ETS until July 2011	Proposal to increase target reductions to 25% below 2000 levels and increased assistance to industry — Opposition Leader Malcolm Turnbull gives in principle support, later equivocal.

3 December 2009	Senate rejects Rudd Government's Carbon Pollution Reduction Scheme legislation (CPRS)	Legislation had been defeated earlier in August 2009 — Rudd Government had negotiated with Turnbull Opposition but outcome collapsed — Tony Abbott elected Opposition Leader on 1 December 2009 — Abbott opposed CPRS regime, despite earlier arguing support for an ETS.
Between 7 and 18 December 2009	2009 United Nations Climate Change Conference — commonly known as the <i>Copenhagen Summit</i> .	Australia proposed new binding treaty to replace Kyoto or alternative to amend Kyoto to include binding commitments — no binding result — only political declaration.
27 April 2010	Rudd Government announces delay introducing introduction of ETS beyond end of Kyoto Protocol on 31 December 2012.	Gillard replaced Rudd as PM on 24 June 2010 — collapse of support for Rudd's leadership both within the ALP and the community most notably following indecision and wavering concerning approach to climate change.
16 August 2010	Julie Gillard announces there would be no carbon tax under any government she led.	Attempt to distance the government from the confusion and inconsistency created under Rudd Government — Gillard Government shortly returned to power as minority government with support of The Greens and two independent parliamentarians.
11 December 2010	The Cancun Climate Summit	Agreements under UNFCCC to hold global temperature increase to a maximum of 2 degrees — agreements about mitigating to prevent GHG emissions — no agreement to commit further on Kyoto track of agreements.
February 2011 Passed by Senate in November 2011	Recently elected Gillard Government announces the creation of the <i>Clean Energy Bill 2011</i> .	The Bill proposed an ETS to replace the postponed CPRS — carbon price to be implemented from 1 July 2012 — scheme commenced with ultimate to be converted later to an ETS 'cap and trade' scheme from 1 July 2015.
17 July 2014	Abbott Government repeals <i>Clean Energy Act</i> provisions removing carbon tax and collapsing subsequent ETS.	Australia left without any umbrella scheme to deal with climate change — vague commitments for starting dates and provisions of <i>Direct Action</i> plan — government also interfered with the Renewable Energy Target — major renewable energy investment collapses.
29 October 2014	Abbott Government makes deal with Palmer United Party and other Senators to allow passage of legislation to introduce its Direct Action plan.	Palmer United Party's support for the Direct Action plan (including the <i>Emissions Reduction Fund</i>) based on Government agreeing to the Climate Change Authority conducting an 18 month investigation and report into ETS programs in other countries — seemingly pointless outcome as Government makes it clear it will not support an ETS — observers still doubt efficacy of Direct Action.