

1 The Political Economy of Liberal Public Policy

Introduction

Environmental concerns have become increasingly important over the last two decades. By now most people agree that measures must be taken to improve environmental quality. Environmental improvement, however, poses a difficult challenge to the American policy process. To understand environmental policy in the 1990s one must confront two distinct influences: the legacy of Lockean liberalism in American political culture; and the propensity of policy makers to “market” public policies through symbolic language.

Liberal society is fundamentally limited in its ability to resolve the problem of environmental degradation. There are two structural tensions between liberalism and environmental quality. First, liberalism’s emphasis on individual self-interest creates a problematic concept of communal good. Society, as manifest in liberal contract theory, exists not to find some higher good, but to protect individual rights. Communal good is limited to providing a stable environment for individual rights. As a consequence, individual and corporate property rights have consistently overshadowed community claims on resource management. Second, capitalism, as a system of economic production and distribution, has been characterized by a constant drive for expansion in search of increased productivity and profit. The impact of that expansionary ethic has been overuse of limited resources and the degradation of our physical environment.

In the United States the tension between liberalism and environmental quality has been consistently understated in policy debates. Policy elites, seeking to resolve environmental problems while maintaining economic growth, have reduced complex environmental relationships to simple issues, suggesting that modest regulation will effect substantial improvement. In this sense, environmental policy has been largely

symbolic. Environmental policies are consciously engineered both to create and to satisfy public demand. The public articulates vague needs, which are then adopted by policy makers who respond with specific goals, cuing public opinion into "attainable" policy options. Public demand is then satisfied with relatively soft regulation.

This study does not argue that every piece of environmental legislation that has fallen short of its stated goals is "symbolic." Rather, in failing to address the inherent tensions between liberalism and environmental quality, policy makers are necessarily understating the complexities of environmental degradation. As such, environmental policies are designed to deal with problems that have been consciously oversimplified. It is in this sense that the policies are symbolic.

The literature on environmental politics is concentrated in two areas. Policy studies tend to focus on descriptive data (e.g., Lester 1989; Vig and Kraft 1994), while normative analyses tend to prescribe an environmental wish list (e.g., Milbrath 1989). This study integrates normative analysis with empirical data in an effort to explain the structural limitations liberal society faces in improving environmental quality.

This book begins the analysis of environmental policy with attention to the parameters of American political culture and the inherent limitations the language of liberalism places on American policy choices. Chapter 1 explores the role the liberal political economy in the United States has played in defining communal need and discusses the implications for environmental policy. Specifically, the chapter examines how liberalism in the American context affects environmental policy choices. Chapter 2 applies the literature on symbolic policy and the engineering of consensus to the analysis, arguing that environmental policy is typified by legislation that appears strong, though in reality remains largely unimplemented.

Ultimately, the study explores the substantive policy areas of concern to the environment in an effort to explain the evolution of specific policies. Chapter 3 defines the environmental policy subsystem, focusing on bureaucratic decision making and the infrastructure of establishing environmental priorities. Chapters 4, 5, 6, and 7 explore the issue areas of air, water, waste, and energy respectively. As these areas account for most public concern and governmental action, they provide useful case studies in examining the tensions between liberalism and environmental quality. Similarly, the chapters explore how symbolic politics have been used to ease these tensions.

The study concludes by suggesting that the challenge presented by environmental degradation may force a rethinking of the traditional

liberal self-interest model. If policy choices continue to be constrained by our ideological inheritance, the future is bleak. Yet society is not static, and as environmental resources become increasingly deteriorated and toxic, it is likely that traditional notions of property rights will be re-evaluated in light of an evolving notion of communal good. The concluding chapter will use Hardin's "Tragedy of the Commons" (1968) as a conceptual tool to contrast the narrow Lockean self-interest model with a Rawls (1971) based communitarian model to illustrate the opportunity for Liberal redefinition.

A Note on Evaluative Criteria

Evaluating environmental policy success is a difficult and often ambiguous endeavor. Policy analysts often equate disappointing policy outcomes with policy failure. But such analyses often ignore incremental improvement and behavioral changes that may lead to greater improvement over the life of the policy (Bartlett 1994). For example, while Superfund (CERCLA) has been widely criticized as a failure due to the large amounts of money spent on litigation and the relatively few successfully cleaned sites, the liability clause in the act has forced behavior changes that may significantly reduce future contamination (Dinan and Johnson 1990; Bartlett 1994). Determinations of policy success, then, depend on how evaluative criteria are defined.

Lest this study be grouped with the growing literature predicting environmental apocalypse, I will be explicit in defining the intent of this analysis: this book attempts to explain the implications of evolving American political culture on environmental policy making, and ultimately environmental quality. The analysis concludes that while the existing framework of environmental regulation has provided incremental improvement, the extent of potential environmental improvement is necessarily limited by tensions within the existing political culture.

The evaluative criteria utilized in this study include five elements: the strength of standards and goals using public health and resource management as primary concerns; timetables and deadlines; rates of compliance and enforcement of standards and deadlines; the extent to which lifestyle changes aimed at improving environmental quality are encouraged; and the extent to which alternative technologies aimed at reducing degradation and improving environmental quality are required. Chapter 3 explores these criteria in greater detail.

Lockean Liberalism and Public Policy I: The Problem of Communal Good

American political culture has evolved from an awkward marriage of two disparate philosophical legacies: civic republicanism and Lockean liberalism. Several observers note that civic republicanism was favored by prerevolutionary thinkers (e.g., Wood 1969; Appleby 1984; Pocock 1975; Kann 1991). Wood (1969) argues that the American revolution was not merely economic, but philosophical, as colonists attempted to replace British autocracy with a federation of autonomous nation-states. Kann suggests that, "the ideal was that virtuous Americans would rise above self-interest, participate together to found state commonwealths, and balance liberty and authority for the public good" (1991:5). Civic republicanism, in this sense, placed public good before individual self-interest.

The Republican potential, however, began to unfold as political and economic elites became less and less convinced that common people—nonelites—were virtuous enough to place public good ahead of individual passions. In this sense, Shays' Rebellion became emblematic of the founders' fears. Daniel Shays, an army captain during the revolutionary war, led a group of farmers—most of whom were war veterans—in a rebellion intended to prevent foreclosures on their farms by keeping the western Massachusetts county courts from sitting until after the next election. In placing their self-interest before the interests of the state—and the financiers who stood to benefit—Shays and his colleagues shattered the Republican model.

Civic virtue, in its classic sense, requires citizens to sublimate their individual passions for a common good. Early American political thinkers came to doubt that destructive individual passions (lust, greed, avarice) could be suppressed. Thus, if it was not possible to create a virtuous society, it was possible to create a society in which self-interest could be harnessed productively. If citizens could not sublimate their self-interest for a common interest, they could channel self-interest into economic productivity. The Liberal self-interest model came to eclipse Republican civic virtue with a social stability based on economic self-interest. But, as Pocock (1975) suggests, while the self-interest model may have replaced the civic Republican model, the discourse on civic virtue remained, albeit in a different context. Appleby (1984) points out that by the end of the eighteenth century the classical meaning of civic virtue—rising above private interests for some public good—was replaced with an alternate, even contrary meaning. Civic virtue became

synonymous with individual industriousness and achievement. The result may be understood as a sort of latent civic virtue: economic self-interest as public interest.

This view permeates the Liberal discourse. Schumpeter (1942) saw no public interest apart from individual self-interest. Citizens participate politically to the extent that they have self-interested goals and desires. Similarly, elected policy makers pursue public policy goals to satisfy the demands of the electorate, in the self-interested goal of reelection. Hartz (1955) and Macpherson (1962) argue that "possessive individualism" diverts the passions of men (laziness, self-indulgence) into a drive for economic gain, creating sober, productive citizens. Downs (1957) and other "Public Choice" scholars see self-interest as the primary motivation of all people.

The infusion of this latent civic virtue into Lockean liberalism creates a uniquely American liberalism where public good is defined by incrementally increasing individual good. In this sense American liberalism remains true to its utilitarian roots: the common good is the aggregate sum of individual good. Thus, the role of the community is to provide the infrastructure to make the pursuit and enjoyment of individual rights possible. In Lockean terms, the public good is provided through the creation of a stable environment for the acquisition, use, and disposition of private property. As a consequence, Liberal society is fundamentally organized around economic interaction.

The policy implications are twofold: Liberal policy seeks to create independent economic actors; and Liberal policy demands that any communal need be evaluated in light of individual property rights. The primacy of Liberal individualism creates a dilemma for public policy: Lockean individualism is nowhere manifest more strongly than in its commitment to individual property rights, and as a result, individual property rights limit the notion of communal rights, creating a problematic definition of communal good.

Self-Interest and the Public Good

Civic virtue has been alternately defined as altruism, self-control, sobriety, productivity, and love of country, in short, self-sacrifice in the public interest. As a tempering influence on self-interest, civic virtue succeeds in creating citizens who can live side by side in a stable political environment. The problem from a public policy perspective, however, is that Liberal civic virtue, to the extent that it exists, remains privatized. What is missing is a notion of communal rights. There is no language of public interest apart from individual interest, leaving the scope of public policy choices severely limited.

The self-interest versus civic virtue debate in liberalism inevitably raises questions about altruism and examples of communitarianism. The nurturing of children and the elderly in families, volunteering in church or organizational activities, contributing to charities, alumni support of schools, and participating in the civic operations of neighborhood communities and towns are all widespread in the American experience. Bellah and others (1985), McWilliams (1973), and others present a vivid picture of the various communities in which Americans participate in the search for social support networks. However, such communitarian participation takes place almost exclusively on the sub-national level. Family, church, union, school, town, and so forth, all offer identifiable community values with which members can identify; civic participation allows a sense of belonging. In this sense, self-sacrifice for the "good" of the community carries personal implications: improving the "community" directly improves one's immediate environment. As such, public interest and private interest are the same.

Communitarian involvement on the state and national level is much more difficult to identify. The only consistent self-sacrifice we see on the national level is military service. Yet, even military service provides a problematic form of civic virtue in the traditional sense. Historically, most soldiers came to "serve their country" through conscription, a not-so-subtle coercion. Perhaps today's all-volunteer army is a result of civic-mindedness. More likely, however, is the perception that military service provides some sort of personal opportunity. Individual self-interest may be a greater factor than civic virtue. College aid, job training, and veterans' benefits are major inducements. Military public service, then, may be conducive to self-interest. No one was more surprised by the U.S. deployment of five hundred thousand troops in the Persian Gulf than many of the soldiers themselves. Many had enlisted, not to become citizen soldiers, but to gain steady work (Wilkerson 1991).

The Search for a Common Good

Liberalism is based on individual self-interest as the foundation for preserving life. Society, as manifest in the social contract, exists not to find some higher collective good, but simply to ensure individual rights. The proper role of Liberal government, then, is to protect a narrow scope of individual rights (self-preservation, liberty, and property). This definition of public good justifies the creation of an infrastructure which makes such protections possible: a police force and army; public laws which define a consistent system for the accumulation, use, and transfer of property; courts to arbitrate between competing interests; jails to house those who have violated the norms of Liberal society; and ulti-

mately, a structure to measure the aggregate individual good—elections to choose representatives for public office. Beyond this, Liberal government has little authority.

In the absence of an explicit language of communal rights, there is little prospect of limiting concrete property rights for an abstract public good. The narrow Liberal definition of communal good has consistently allowed individual and corporate claims of property rights to outweigh the need for serious environmental regulation, as the following chapters will show. As a consequence of the parameters imposed by the problematic Liberal definition of communal good, the American policy process is fundamentally limited in its ability to confront environmental issues adequately.

The notion of communal good in American liberalism has evolved to accommodate specific problems that threaten the fabric of social stability. Public education programs evolved to encourage social integration (Peters 1993). New Deal liberalism, particularly through programs such as social security, developed as an accommodation to economic disintegration (Bowles and Gintis 1986). Yet, while traditional definitions of communal good remain narrow, environmental degradation may force a new approach. To the extent that environmental destruction is understood to threaten social stability, American liberalism's latent civic virtue may resurface. Rawls' (1971) restatement of justice as a central Liberal priority may provide the bridge.

Rawls accepts self-interest as the primary motivation in human society but rejects the utilitarian influence that has come to characterize Western liberalism. Rawls broadens the self-interest model to accommodate a communitarian ethic in the tradition of Kant. Rawls identifies two basic principles necessary for a just society:

First: each person is to have an equal right to the most extensive basic liberty compatible with a similar liberty for others.

Second: social and economic inequalities are to be arranged so that they are both (a) reasonably expected to be to everyone's advantage, and (b) attached to positions and offices open to all. (Rawls 1971:60)

In this sense, procedural justice exists when equal people give informed consent to the process by which decisions are made (Wenz 1988). In such cases, the decisions, regardless of outcome, are "fair."

Further, Rawls defines just policies as those that benefit the least advantaged within the society, in addition to anyone else. In this sense, "there is no injustice in the greater benefits earned by a few provided that the situation of persons not so fortunate is thereby improved"

(Rawls 1971:15). This reflects Rawls' notion of *pareto optimality*: "a configuration is efficient whenever it is impossible to change it so as to make some persons (at least one) better off without at the same time making other persons (at least one) worse off" (Rawls 1971:67).

Rawls' concept of fairness and of *pareto optimality* are useful for expanding the traditionally narrow liberal self-interest model. Within the Rawlsian paradigm, self-interest itself must include minimizing social bads, because any one of us may, at some time, be exposed to those bads. Self-interest is maintained, then, when individuals vote to finance greater fire protection services, since any one of us can suffer the tragedy of being in a burning building. By this logic, it is possible to argue that minimizing environmental degradation is a form of maintaining individual self-interest, because any one of us may find ourselves, for example, exposed to toxins that have seeped into aquifers. Wenz (1988) suggests that in establishing a common fund to clean up abandoned waste sites CERCLA (Superfund) is an example of just environmental policy—in the Rawlsian sense. Rawls reintegrates the language of civic virtue into a utilitarian liberal discourse.

The tension between public rights and private rights is nowhere felt more strongly than in environmental policy. Environmental policy is predicated on regulating the use and development of private property. Without redefining traditional Lockean property rights, environmental policy proposes to legislate what property owners can and cannot do with their property. Traditional concepts of Liberal civic virtue say nothing to this dilemma. But, as Rawls suggests, it may be possible to accommodate communal challenges by redefining self-interest. A Rawlsian alternative is discussed in detail in Chapter 8.

Lockean Liberalism and Public Policy II: The Tension between Public and Private Rights

Locke's concern with property was a function of survival, not greed. One's property would ensure self-preservation, and ultimately liberty. The role of the state, therefore, is to protect private property (Locke 1963:2.124). If property rights were ensured, individuals would be able to take care of themselves. Sustenance, liberty, and security are all a function of material wealth. As a result, Liberal policy decisions have traditionally been subservient to economic concerns.

The Lockean emphasis on private property poses a quandary for the American policy process. While politics is considered a public sphere, property remains a private sphere. As a consequence, there is

often a conflict between political power (public power) and economic power (private power). While Liberal society encourages collective participation in deciding our political fate, our personal fate remains vulnerable to economic domination. Several observers (e.g., Dahl 1985; Bowles and Gintis 1986) see a growing sphere of authoritarianism within the corporate structure of Liberal capitalism.

At the same time, the public sphere itself remains vulnerable to private interests. Clearly, the pluralist model of counterbalancing elites mediating interests has proven inadequate. The theoretical work done by Mills (1956) and the empirical work done by Dye (1986), Domhoff (1983), and Presthus (1974), among others, suggest that rather than competing, the interests of economic elites tend to cohere in key policy areas. Not only are the number of corporate interest groups and PACs at an all-time high, but the structure of the policy-making establishment has come to replace Democratic agencies with private think tanks (Reynolds and Vogler 1991; Guttman and Willner 1976).

The Brookings Institution, RAND Corporation, Council for Economic Development (CED), Council on Foreign Relations (CFR), and others form the bridge between corporate interests and government. The think tanks are considered by many policy makers to be neutral policy consultants and are thus extended great access to the policy-making arena. Yet virtually all of them have strong foundations in the present business community. The RAND Corporation was created as a joint venture between the U.S. Airforce and the aerospace industry as a think tank devoted to the theory and technology of deterrence. The CED was founded in the early 1940s by a consortium of corporate leaders to influence specific policy formation. The CFR was founded in 1921 by corporate executives and financiers to help shape foreign policy (Domhoff 1983; Guttman and Willner 1976).

Public life has remained subservient to private interests in other ways as well. Public policy, consequently, must place explicit economic concerns above a public interest that remains abstract. Reagan's executive order 12291 simply puts into formal practice long-established beliefs:

In promulgating new regulations, reviewing existing regulations, and developing legislative proposals concerning regulations, all agencies, to the extent permitted by law, shall adhere to the following requirements: . . . *Regulatory action shall not be undertaken unless the potential benefits to society outweigh the potential costs to society; . . . Agencies shall set regulatory priorities with the aim of maximizing the aggregate net benefits to society, taking into ac-*

count the condition of the national economy. (Executive Order 12291, sect. 2, clauses B and C; emphases added)

Such a policy is reminiscent of the narrow benefit-cost calculation that allowed Ford to continue building Pintos with unsafe fuel tanks between 1971 and 1976. The calculation made by the National Highway Transportation Safety Administration (NHTSA) in 1972 showed that deaths and injuries resulting from fuel leakage in otherwise minor accidents would cost Ford \$49.5 million annually in damages. Correcting the defective design would have cost Ford—at eleven dollars per car—\$137 million annually (Dowie 1977). While cost effectiveness is an important element of policy analysis, the reliance on a narrow benefit-cost calculation to evaluate policy has created perverse policy consequences.

Even eminent domain, which many describe as an example of governmental initiative to secure the public good, is more accurately defined as governmental action on behalf of self-interested policy elites. In *Berman v. Parker* (1954), the Court held that the government had a wide constitutional authority to seize private property for a compelling public purpose (Lowi and Ginsberg 1990). But the history of eminent domain seizures is characterized by the displacing of the poor. In *Berman* the Court cleared the way for the removal of dilapidated housing in the District of Columbia to make room for a new development. While there is a public interest in renewing urban areas, the previous residents were effectively displaced, as the new housing carried substantially higher rents. Freeways and transit systems are routinely built on property seized from working-class people (Piven and Cloward 1982). It is not surprising that eminent domain seizures tend to occur in poorer areas. Residents in wealthier areas have the legal resources necessary to make seizures difficult. As a consequence, eminent domain replaces a general public good with a limited, even affluent, “public good.”

The distinction of political rights as public and economic rights as private has created a dynamic that typically places property rights outside the restraints of public policy. As a result, policy makers are limited in their ability to regulate resource management. The following sections explore the evolution of the American market economy and its implication for environmental quality.

Liberalism and Capitalism

The relationship between liberalism and capitalism is not accidental. Rather, Capitalist economics is a function of liberalism. If liberalism is predicated on the pursuit of individual self-interest, much of this pur-

suit is economic in nature. Friedman (1982) argues that individual freedom—the ability to pursue one’s self-interest—is predicated on economic freedom. Adam Smith (1937) argued that a system of self-interested independent economic actors would not only maximize individual freedom, but would maximize social good as well. The economic equilibrium that Smith anticipated would, in fact, create social stability. The necessary components of a Capitalist economy—private property, competitive self-interest, economic liberty, minimal government—are precisely the same components present in a Liberal society. Thus, while liberalism and capitalism are not the same animal, they are mutually dependent upon one another.

Like liberalism, capitalism has evolved over time. Market failures over the past two centuries, most notably the depression in the 1930s, have shown that capitalist economies are not necessarily self-regulating, and great disparities in income distribution have made legitimization of classical economics more difficult. The American political economy has gone through several changes, each in the attempt to maximize economic stability and productivity. Thus, while American capitalism has evolved over the years, the nature of economic interaction reflects the central values of liberalism: the pursuit of social stability through self-interested economic interaction, and the protection of private rights to property.

The Evolving Infrastructure of American Capitalism

The constitutional basis of American political economy provides for Republican government, with only limited citizen participation. The insulated relationship between elected officials and the electorate suggests that the framers intentionally sought to protect the Union from “popular passions.” The electoral college and indirect election of the president, the appointment of senators by state legislators until 1913, single member districts which preclude minority party representation, judicial review, and the state-imposed gender and property requirements all ensured elite supervision of popular participation. In establishing a framework for the acquisition and transfer of property, the contract and commerce clauses protect economic interests from Populist intrusion and provide a stable market environment.

Fletcher v. Peck (1810) expanded the contract clause to include the notion of vested rights (that property is the basic social institution and the *raison d’être* of the state is to protect private property). Later, in the Dartmouth College case (1819), Marshall and his colleagues found that states have no power over corporate charters other than “what is expressly or implicitly reserved by the charter itself” (Justice Joseph Story, in Mason and Stephenson 1987:274).

The commerce clause was included in the Constitution specifically to prevent the states from interfering with free commercial interactions. The interpretation of the clause has followed the Marshall Court precedents. In *Brown v. Maryland* (1827) Marshall wrote:

It has been observed that the powers remaining with the States (police powers) may be so exercised as to come in conflict with those vested in Congress. When this happens, that which is not supreme must yield to that which is supreme. . . . The taxing power of the states . . . cannot interfere with any regulation of commerce. (In Mason and Stephenson 1987,172)

The Marshall Court decisions reinforce the sentiments that the convention delegates clearly intended the Constitution to embody. Specifically, the Constitution and Court decisions protect commerce from interstate trade barriers and protect the national market economy. Such protections on commercial interaction pose serious problems for government attempts to regulate property or commerce on behalf of some collective good.

By midcentury, the development of the railroads and canal systems, and the introduction of new technologies—including the clipper ship, the steam engine, the reaper, and interchangeable machine parts—created an economic infrastructure that allowed for rapid industrialization and a shift away from the traditional agrarian economy. In this climate, business structures moved from small decentralized proprietorships to large centralized corporate organizations (Markovich and Pynn 1988).

By the 1890s the growing centralization of capital in large corporations threatened traditional interests, such as farmers and merchants. Ultimately, pressure from a vague coalition of farmers, laborers, merchants, and other small business enterprises resulted in limited antitrust regulation. Heilbroner (1977) notes that this governmental intervention was seen as necessary so as to allow the economy to regulate itself more efficiently and thereby grow more equitably.

The consistent economic growth through the 1920s seemed to confirm this belief. Between 1921 and 1927 per capita income almost doubled—growing from \$440 to \$817; similarly, between 1923 and 1927 the Dow Jones index tripled (Markovich and Pynn 1988). In the end, of course, this did not last. In October 1929, Adam Smith's economic equilibrium exploded. By 1933 GNP fell from \$104 billion to \$56 billion. It became clear that increased governmental intervention was necessary.

The series of New Deal legislation—including the Emergency Banking Relief Act (1933), the Emergency Farm Mortgage Act (1933),

and the National Industrial Recovery Act (1933)—sought to create financial security and market stability. These policies were not intended to move the economy away from capitalism. Rather, they were meant to rescue capitalism. The practical necessity to intervene in the economy during the early 1930s led to the acceptance of Keynesian economic theory.

Keynes argued that economic stability relies upon spending—by consumers, business, and government. Government should stimulate this spending through direct expenditures and a redistribution of income so as to ensure a stable pool of consumers. In this way the Keynesian paradigm created the American welfare state. New Deal programs—such as unemployment insurance, social security, and supplemental security income—sought to stabilize unemployment, and increase consumption, thereby expanding economic production.

By the late 1970s, however, the optimism with Keynesian economics began to fade. Growing inflation, rising unemployment, and the continued presence of poverty created an atmosphere of frustration and intolerance. Within this climate Reagan came to office promising to improve economic growth by reducing governmental regulation, moving policy-setting and financial responsibilities back to the states (New Federalism), and through supply-side economic policy which would encourage business-sector growth rather than consumption (Markovich and Pynn 1988).

While the evolution of American capitalism has allowed for greater governmental intervention, it has not moved beyond the parameters of liberalism. If liberalism equates the common good as the aggregate of individual good, then governmental intervention to improve economic growth is consistent with liberal principles. While American capitalism has changed over the years, these changes reflect the central values of liberalism: maximizing individual self-interest to create a property-based social stability. As a consequence, each stage in the evolution of American capitalism has had similar implications for environmental quality.

The Tension Between Liberalism and Environmental Quality in the United States

Capitalism, as an economic system establishing supply and distribution of goods, is largely inconsistent with the collective good of maintaining environmental quality. Liberalism equates liberty with the ability to acquire, use, and dispose of private property free of government intrusion.

Capitalism encourages environmental degradation in several ways. As the Marshall Court articulated, Liberal society is based upon the rights of private property (economic liberty). As such, the state has limited authority to mandate how citizens use their property. Environmental policy, on the other hand, is predicated on the regulation of private resources and behaviors. If, in the view of liberalism, the chief end of civil society is the preservation and protection of property rights, environmental regulation challenges the ideological basis of political order.

Economic success in capitalism has historically been defined by economic growth. To maximize individual and corporate profit, and to minimize recessionary contractions, capitalism has relied on continual economic expansion. While one would expect the GNP to grow consistent with the growth of population, the drive to maximize profits pushes greater efficiency from available resources and expansion of markets to maximize productivity. As production increases, ever greater materials are required, straining, and often destroying, environmental resources. And, extensive industrial and agricultural production has created vast amounts of waste, including sludge, heavy metals, salts, and toxic chemicals that are released into the air, water, and soil.

While population in the United States grew by 39 percent between 1960 and 1990, GNP rose by 150 percent (see Table 1.1). This greater productivity came as a result of new technologies that made industrial processes more efficient and production materials cheaper. But, this was not without a cost. During the same time, energy consumption increased by 85 percent (Table 1.2) and municipal solid waste generation increased by 91 percent—more than twice the rate of population growth. Moreover, the demand for natural resources jumped, illustrated by a 75 percent increase in timber extraction. And the reliance on toxic chemicals soared, as illustrated by a 60 percent increase in pesticide use (see Table 1.3). Environmental stress is a net result of unbridled economic growth.

Furthermore, as a system of individual economic actors (including corporate actors), capitalism encourages pollution by punishing those who would clean and reduce waste with a reduced profit margin. It is far cheaper and easier to simply dump waste than to reduce, reuse, or reprocess it. Even those manufacturers who wish to be good corporate citizens are slow to employ pollution reduction technologies voluntarily, because to do so unilaterally would put those corporations at a competitive disadvantage. Pollution is an economic externality in that polluters are able to shift the cost of polluting to the society as a whole. While environmental degradation is certainly not unique to capitalist

TABLE 1.1. U.S. Population Growth, GNP Growth, and Municipal Solid Waste Generated 1935–1990

<i>Year</i>	<i>Population (millions)</i>	<i>GNP (billions of 1982 dollars)</i>	<i>Municipal Solid Waste Generated (million tons)</i>
1935	127.4	580.2	na
1940	132.6	772.9	na
1945	140.5	1,354.8	na
1950	152.3	1,203.7	na
1955	165.9	1,494.9	na
1960	180.7	1,665.3	87.5
1965	194.3	2,087.6	102.3
1970	205.1	2,416.2	120.5
1975	216.0	2,695.0	125.3
1980	227.7	3,187.1	142.6
1985	238.5	3,618.7	152.5
1990	250.0	4,155.8	167.4
<i>Percent Increase:</i>			
<i>Year</i>	<i>Population</i>	<i>GNP</i>	<i>Municipal Waste</i>
1960–70	13.5	45	38
1970–80	11.0	32	18
1980–90	10.0	30	17
1960–90	39.0	150	91
1935–90	96.5	616	na

na = not available

Sources: U.S. Department of Commerce, Bureau of the Census, 1991, *Current Population Reports* (Washington, DC: GPO); Executive Office of the President, Council of Economic Advisors, 1991, *1991 Economic Report* Washington, DC: GPO); U.S. Environmental Protection Agency, Office of Solid Waste and Emergency Response, 1990, *Characterization of Municipal Solid Waste in the U.S., 1960–2000* (Prairie Village, KS: Franklin Associates).

economies, as a system based on maximizing profit, capitalism is inconsistent with maintaining environmental quality. The following chapters develop this theme in greater detail.

Conclusion

The tension between private rights and public rights fundamentally limits public policy options. On the one hand, liberalism’s narrow concept of communal good places individual rights above communal claims. On the other hand, public life itself has become dominated by

TABLE 1.2. U.S. Energy Consumption 1960–1990 (Quadrillion Btu)

<i>Year</i>	<i>Fossil Fuel Consumption</i>	<i>Total Energy Consumption</i>
1960	29.7	43.8
1965	34.9	52.7
1970	41.8	66.4
1975	45.4	70.6
1980	49.6	76.0
1985	48.4	73.9
1990	53.4	81.17

Sources: U.S. Department of Energy, Energy Information Administration, 1989, *Annual Energy Review 1988* (Washington, DC: GPO); U.S. Department of Energy, Energy Information Administration, 1990, *Annual Energy Outlook 1990 with Projections to 2010* (Washington, DC: GPO); U.S. Department of Energy, Energy Information Administration, 1992, *International Energy Annual 1990* (Washington, DC: GPO).

TABLE 1.3 U.S. Timber Extraction and Pesticide Use 1960–1990

<i>Year</i>	<i>Timber (billion cubic feet)</i>	<i>Pesticide Use (million pounds active ingredient)</i>
1960	10.2	na
1964	11.2	291
1966	11.5	328
1971	11.5	464
1976	12.5	650
1982	14.2	552
1986	17.0	475
1987	17.7p	429
1988	17.9p	440
1989	17.7p	463
1990	17.9p	na

na = not available

p = preliminary

Sources: U.S. Department of Agriculture, Economic Research Service, periodic, *Inputs Outlook and Situation Report* (Washington, DC: GPO); U.S. Department of Agriculture, Forest Service, 1989, *1988 U.S. Timber Production, Trade Production, and Price Statistics* (Washington, DC: GPO).

private interests. As a result of this policy schizophrenia, American liberalism has limited mechanisms to confront issues that challenge individual interests on behalf of a notion of public good. Consequently, problems that affect communal resources, such as air and water, have little resolution within the traditional Liberal paradigm.

Furthermore, the policy process in the United States tends to favor large economic interests. Those interests that create the most damage to environmental resources—large industrial manufacturing plants, corporate agriculture, and mining interests—are best able to assemble the requisite political resources to influence the policy process.

When vague communal problems conflict with the specific rights of corporate individuals, Liberal policy stands with the latter. This occurs, not out of greed, but out of procedural necessity. There simply has been no structure to accommodate communal needs distinct from individual needs. As a result, policy makers have traditionally sought to ease communal problems without challenging the dominance of private rights.

Environmental policy is not the only issue area where these tensions exist. But, as a policy area directly concerned with the regulation of property use, environmental legislation provides an excellent case study of the contradictions within Liberal policy making. This chapter has outlined the theoretical framework of the discussion. Chapter 2 explores the role of symbolic politics in obfuscating the tension between liberalism and environmental quality. The remaining chapters explore these tensions within the specific environmental issue areas of air, water, waste, and energy. Chapter 8 explores the options facing Liberal society in the face of environmental challenges.