

# The Potential and Limitations of Sustainability Policy: Modest Proposals from the Garden City

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## ABSTRACT

Best regarded as an essentially contested concept, ‘sustainability’ — beyond the highest level of generalisation — gives rise to numerous, sometimes mutually exclusive, interpretations and applications. As exemplified by the *Canberra Plan*, this leads governments into the ad hoc politics of gesture, underlining the relatively limited role they can play in a liberal democratic system. Recognition of their limitations can, however, make governments more effective. Options for a ‘sustainable Canberra’ provide a useful case study. Though in some respects inimitable, the national capital exemplifies certain characteristics and dilemmas of all Australian urban life in particular, the cognitive dissonance about sustainability found among the educated classes (green sensitivity married to wasteful consumption) and the need to confront the implications of an end to the era of cheap energy. The latter will force adaptation to a ‘post-materialist’ society, in which reduced growth coexists with a competitive market economy. Government can lead by example and act as a catalyst for broader collaboration with the private sector. The main area in which it can do the latter is public transport. Despite its car-centred infrastructure, Canberra could shift commuting patterns through a light rail system linking its constituent nodes. The principal political issue would be the means of financing and operating such a system. From this we may draw several lessons. Not the least of these is that governments’ relative impotence in stimulating sustainability in general should yield not the politics of gesture but greater attention to what they can do in particular.

Far better to be a happy pessimist than a bitter optimist

*Old French saying*

## INTRODUCTION

The purpose of this paper is to consider some aspects of what might realistically constitute government involvement in making Canberra a ‘sustainable city’, with particular reference to the development and financing of a new, integrated transport and urban planning system.

Written from the perspective of a policy practitioner rather than analyst, my argument draws on an eclectic range of material and is grounded in the assumptions of philosophical liberalism. I begin with a few remarks about the conceptualisation of sustainability and what this implies about governments’ limitations in the area, with particular reference to the *Canberra Plan*. I next consider Canberra’s current condition as a car-dependent city and the various factors (notably higher energy costs) which are

generating a change in both culture and policy. Finally I examine the potential and limitations of government intervention in the development of a light rail system to effect a realistic form of sustainable development.

### **SUSTAINABILITY: A CONCEPT TOO FAR?**

Sustainability is best treated as an ‘essentially contested concept’: one about which debate cannot be finally resolved because its original exemplar involves necessarily competing conceptions of the underlying subject-matter (Gallie 1964). Such debate is not, however, futile. Indeed, when conducted properly, it makes discussion more fruitful, bringing to light, among other things, the direct and implicit evaluations inherent in the various contested conceptions. The point of such discussion is not to arrive at a ‘correct’ or definitive treatment of the subject, but to tease out competing ideas and arguments, with a view to applying them appropriately for the purpose at hand.

At one level, of course, there is very little that is contestable about sustainability. Like ‘democracy’, it is generally well valued. ‘Meeting the needs of the present generation without compromising the ability of future generations to meet their needs’ — the working definition of the Brundtland Report (World Commission on Environment and Development 1987) — makes even motherhood seem controversial. And like ‘justice’, it provides a lodestar for more detailed argument. But this is only to defer the contestation to lower levels of generalisation and policy applications.

Even a brief survey of the use made of the concept since Brundtland confirms its fundamental contestability — both in subject matter and acknowledged interpretations (see Pezzoli 1996). Naturally, this has led some (particularly on what is regarded as the conservative side of politics) to contend that the very concept is not so much contestable as empty.<sup>1</sup>

To the contrary, it is precisely the variety of definitions and interpretations that demonstrates the concept is important — especially in driving policy. This requires particular attention to middle-level argument: what comes between the general ideal of sustainability and a specific piece of legislation or program.<sup>2</sup> Above all it is necessary to focus on the particular conditions — historical, geographical, political, cultural, among others — in which the specific legislation or program is to be developed.

In current middle-level arguments on sustainability there are two main reasons for divergence. In the first place, there are differences over what constitutes the relevant subject-matter. To take a simple example: those worried about sustainable infrastructure or sustainable industrial development are talking about something quite different from those concerned about the natural environment or the preservation of certain species. They may or may not come into conflict; they may or may not be talking at cross-purposes; but they are not singing from the same songbook.

The second reason is that while people may agree about the pertinent subject-matter, they have quite different priorities. Acknowledged components of the general ideal may, for example, be weighted differently by different interests, those regarded as central by some being considered marginal or irrelevant by others. Reasoned argument is possible but definitive resolution unlikely — and unnecessary.

An example is water policy. There is near universal agreement on the need to use water more carefully and to install whatever water-saving and recycling measures are

practicable. But, as in the ACT, there are deep and honest differences over the issue of supply. Do we build a new dam? What will be the ecological impact of such a dam? What are the alternative options?

To arrive at a specific policy — such as whether or not to build a dam — we need to ‘come clean’ about (though probably not settle) these middle-level arguments on priorities: the weight to be given what might indeed be considered equally legitimate claims on the higher level, exemplary notion of ‘sustainable development’.

This, of course, is what liberal democratic politics, in theory, is all about; and where policy practitioners come in (usually for abuse). As Hugh Stretton (2005: 33) has noted: ‘The disagreements are what make politics necessary and representative democracy desirable. So whatever you think of politicians as a tribe, it’s right to have some compassion for them.’

### **Two Temptations**

Nonetheless, even where we accept that debate involves competing, reasonable interpretations and applications of the original term, there are two major temptations which, if indulged, can muddy discussion, if not boost the critics’ claim that the concept is totally sterile.

First is the temptation to do away with middle-level generalisations and argument altogether: to move from rhetoric associated with the original exemplar to specific policy proposals without covering the crucial middle-level conceptual and empirical ground. One tactical advantage of this is that it allows one to use the positive moral connotation of the high-level concept to disguise empirical thinness at a lower level — in effect (in the case to hand) to use ‘sustainability’ as a talisman or marketing tool.

Put another way, there is no real debate. Claiming exclusive ownership of the (high-level) concept, one drowns out alternative interpretations. The word is given an ersatz empirical gloss but has no empirical meaning.

The second temptation is related but distinct. This is to indulge in a particular form of ‘magical thinking’: specifically, to suppose that the mere naming of a phenomenon as ‘sustainable’ makes it so. The phenomenon — perhaps a policy or government body — is invested with an occult significance that overrides empirical content. As with ‘quality’, it can be used, generally by adjectival fiat and often unintentionally, to suggest substance where only verbal form is in play. An Office of Sustainability, for example, will produce — by its very name — sustainable policy, whatever that may happen to be.

Again, this can be used to shut down genuine debate. If you are opposed to any particular policy, you can be accused of being against sustainability itself. A fallacious rhetorical ploy — like the advocates of economic rationalism saying to their critics, ‘Well you’re surely not in favour of economic irrationalism?’ — it is nonetheless very tempting, precisely because it puts one in thrall to the magical properties of the word itself.

Assuming we care about sustainability and do not believe we can conjure it into existence by the repetition of its name as an incantation then this dilution of the concept into mere rhetoric is obviously unsatisfactory. Any serious policy maker should be at the very least embarrassed when resorting to this trick.

Problems about the middle-level application of ‘sustainability’ are real — but not insurmountable. If we can agree to discard the talismanic uses, perhaps we do not need to worry overmuch about the ‘horizontal’ differences among economic, environmental, social and demographic sustainability. Perhaps we can recognize that policies need to be sustainable in *all* these senses to survive in the longer term.

### **The Canberra Plan**

These problems are exemplified in the *Canberra Plan* (comprising an Economic White Paper, a Social Plan and a Spatial Plan) which forms the ‘strategic framework’ for ACT Government policy.<sup>3</sup> At the highest level of generalisation, ‘sustainability’ is said to be a concept which provides ‘an integrated approach to protect and enhance the qualities we value most about the ACT: the well-being of our citizens; the capacity of our economy and institutions to support our community; the breadth and health of our natural environment and the benefits it provides; and our role as the national capital (ACT Office of Sustainability 2003: 3)’.

This, rather ambitiously, tells us what the concept is intended to do, at a very high level of abstraction. It is, however, ‘used interchangeably with Sustainable Development, Ecologically Sustainable Development and Triple Bottom Line’ and given three ‘key components’:

- recognition of the interdependence of social, economic and environmental well-being;
- a focus on equity and fairness, and that we need to take account of the effect of our actions on others in an interdependent world; and
- recognition that meeting the needs of today must not be at the expense of future generations being able to meet their own needs. (ACT Office of Sustainability 2003: 10-11).

It is not clear where this takes us. The fusion of variants on ‘sustainable development’ and ‘Triple Bottom Line’ is inventive, even if we make the questionable assumption that the last term is itself unproblematic (see McAuley 2001). The ‘key components’ either duplicate the general concept they are supposedly explicating (the first and third) or else introduce a quite distinct concept (‘equity and fairness’ in the second) at much the same level of high abstraction. Even when the plan ostensibly documents how to ‘translate sustainability into practical action’ we are presented with a list of ‘guiding principles’ that again operate at a surprisingly high level of generalisation. ‘Ensuring equity within and between generations’, ‘Empowering people’ and ‘Believing in our ability to create a sustainable future’ (ACT Office of Sustainability 2003: 13-14) do not narrow the field of discourse, let alone educe identifiable policy options.<sup>4</sup>

Were this only a matter of normal political impressionism, we could let it pass. But inasmuch as we take the government’s word that the plan provides a strategic framework for actual policy, a far tighter middle-level argument is required — especially in the central Economic White Paper. This states explicitly that it ‘is not intended to be a detailed prescription for the future’ but is, rather, ‘a framework for resolving long-term issues’ (ACT Government 2003: 1). Yet even this limited purpose, which is in stark contrast with the ambitious remit of the original, high-level treatment of ‘sustainability’, can only be realised with the use of reasonably precise definitions and general claims.

In practice, the White Paper veers between high- and low-level argument with little of substance in the middle range. Between the rhetoric and specific policy promises lies a

conceptual and practical chasm. Forty-seven ‘Actions’ are listed. Of these, some are vague statements of intent (such as ‘Co-ordination arrangements will be put in place between the ACT and Commonwealth Governments to ensure that the reforms and strategies contained in the *Canberra Plan* are resolved and implemented efficiently’; while others are specific, even occasionally detailed, policy prescriptions that have no obvious connection with the higher-level claims about sustainability (like amending the Payroll Tax Act ‘to exempt Group Training Companies from payment of payroll tax for second and third-year apprentices’ [ACT Government 2003: 82, 74]). Exactly the same observations can be made about the Spatial and Social Plans.

This illustrates the fact that the sheer number of claims which can be made about ‘sustainability’ below the high-level abstraction of Brundtland means any environmental agency is torn in so many directions it can achieve little or nothing. As the ACT Auditor-General noted in her review of Territory agencies obliged to incorporate Environmentally Sustainable Development (ESD) principles into their decision-making processes, ‘Government guidance was too broad and lacked sufficient examples to assist in reporting ESD performance... [There] was little evidence that decision-making processes take into account ESD principles’ (ACT Auditor-General’s Office 2005: 3).

What this suggests is that governments in this policy area can actually do very little — which conclusion goes against much received wisdom. As Hancock (1930) argued decades ago, Australians have traditionally looked on government as a ‘vast public utility whose duty it is to provide the greatest happiness for the greatest number ... To the Australian, the State means collective power at the service of individualistic “rights”’.

Hancock’s point still holds true today. When mixed with the politicians’ syllogism (Lynn & Jay 1986: 130-1) — *We must do something. This is something. Therefore we must do this* — the result is the very disjunction between rhetoric and policy abundantly displayed in the *Canberra Plan*: unproductive busyness. Parallel to this has been reluctance to build or sustain those forms of collaborative self-help and assumed obligations commonly grouped under the rubric of ‘social capital’ (Cox 1995; World Commission on Environment and Development 1987; but cf. Fine 2001) or, more expansively, the intermediate associations that constitute ‘civil society’ (Krygier 1997: Ch. 3; Hughes 2003).

This is not to say governments are necessarily weak; only that they are ill-suited to play the public utility role both they and the electorate presume they should. The consequent temptation is to indulge in the politics of gesture and encyclical, yielding a wide variety of possible policy initiatives, but without giving any clear indication which might be preferable, and why.

Governments can, however, be effective when they recognise and act within their limitations. This requires a more modest and specific appreciation of the notion of sustainability in any given case, along with recognition of the effect on public policy of the ‘dead hand’ of government.

### **CANBERRA: BOTH UNIQUE AND EXEMPLARY**

It is generally accepted that Canberra — also known as the Garden City or Bush Capital — is an unusual metropolis: more than metaphorically a city-state. One of its misfortunes is that much of its development as a ‘modern’ city occurred at the precise moment public transport ceased to be ‘modern’. The result is easily the most car-

dependent of all Australian capital cities — despite Walter Burley Griffin's original design for light rail.

It is also, incidentally, the Australian city which displays the greatest cognitive dissonance between its professed environmentalist beliefs and its practices. While most Canberrans express very deep and doubtless sincere concern about general ecological issues, they indulge in the most wasteful consumption in the country — 'shopping for the thrill of the purchase rather than the anticipated pleasure of owning or using something' (Hamilton et al. 2005: vii). Our collective ambition would seem to be to install a green cotton shopping bag in every four-wheel drive.

This is another manifestation of magical thinking. To forswear plastic bags or install a water-saving shower head (actions desirable in themselves) is sufficient not only to establish one's green credentials but to avoid more burdensome personal tests of environmental responsibility. It also demonstrates the limits of moral exhortation and rational argument as effective policy devices. A highly educated, affluent population with fairly pronounced green sympathies does not, in the main, practise what it has convinced itself it believes in.

At the same time Canberra has two distinct *advantages* which, paradoxically, are generally regarded as vices:

- First, most people are employed by the public service, directly or indirectly — with 24.6 per cent of the workforce directly working in government administration and defence, a further 10.5 per cent in health and community services and 7.5 per cent in education — and a significant proportion of the private sector being underpinned by government contract work (Australian Bureau of Statistics 2005: 94). The city also has the most qualified and affluent population in the country.
- Secondly, Canberra has a centrifugal character. It is not a central-place city like Adelaide or Melbourne. Its nominal centre, Civic, is in reality only one node among five.

In economic terms, Canberra is a government town, and governments are infamous for forever shifting the location of their offices (usually for the worst possible reasons). What this suggests is that the city has the potential as well as the need to contrive an overarching sustainability policy that combines the economic development of its constituent nodes with effective land-use and sustainable, integrated transport to encourage more mature development of these nodes, and a more balanced distribution of the workforce.

This is partly precautionary: we do not want Canberra's peripheries to become Parisian-style *banlieues*, detached from the main economy. More positively, a decentralised occupational structure is appropriate for an economy that predominantly relies on the public service, knowledge industries (including the education sector) and personal services. Canberra is not a captive of topography, its industry is not dependent on mines or harbours, so there is scope for some re-configuring.

But it is obvious that if we choose any of the substantive definitions of sustainability, a clever city in which everyone gets around behind his or her personal fossil-fuel burner is not sustainable. One of the biggest greenhouse-gas generators (24 per cent in the ACT) and energy users is transport.

Canberra's evolution has reflected the recent — and historically aberrant — era of cheap energy. While other cities grew out of central residential and business areas whose transport systems did not depend on the combustion engine, Canberra from the outset could take cheap private transport as a given — the more so after its major post-1945 expansion. As the city departed more and more from the early Griffin scheme, public transport became not only secondary but subservient to private cars, and socially stigmatised. From the beginning Canberra took for granted the ideas of suburbia elsewhere the result of largely haphazard population growth.

### **The End Of Cheap Energy**

To postulate the end of the cheap fossil fuel era is not to engage in doom saying, but to echo the sober research of nearly all observers outside the more deluded echelons of the oil industry. We are very near the all-time global oil-production peak — the point at which no increased production is possible, but only a gradual reduction. Estimates vary, but the range of opinion on the peak year is small, from 2005 to about 2017 (Simmons 2005). Of itself, this will not produce a sudden crisis, unless there is politically inspired panic on other grounds. But it will mean a permanent rise in the cost of energy, however generated. We need not be defeatists or economic puritans to appreciate that putative alternatives on the horizon today — such as solar electric systems, wind turbines, hydrogen, coal, nuclear power and biofuels — are either of questionable viability, prohibitively expensive, or both (Kunstler 2005).

Higher energy costs will have an impact across the economy. Apart from the direct and indirect consequences of significantly more expensive transportation, all sectors reliant on oil and gas-based inputs — like industrial agriculture and the pharmaceutical and clothing industries — will confront a disquieting rise in outlays. Without substantial improvements in technology, motoring will revert from a mass to a minority activity. Whether or not we consider globalisation to have been chimerical or overstated to begin with (e.g. Saul 2005), international trading relations could well be seriously affected.

In the longer term the impact will be felt more diffusely: on the kind of houses we inhabit, the things we regard as luxuries, the work and travelling we do, the cities we build or have to redesign. Suburban logic of necessity will become obsolete, though what might replace it is moot, and precariously dependent on political resolve. In a sense, we shall all become 'post-materialists' (Eckersley 2005) in spite of ourselves. Quantity-driven consumption will be replaced, *faute de mieux*, by quality.<sup>5</sup>

This is not to suggest reversion to a non-affluent society, let alone a command economy. As Samuel Brittan (2002) has argued, 'Even in a world of slow or zero growth a competitive market economy would still be best for satisfying people's choices.' It is quite possible to have a 'steady-state' economy in which there is still considerable technological innovation and growth that do not rely on industrial era assumptions about capital and labour but predominantly on the application of knowledge.

The most troublesome issue will be reformation of the cityscape, consonant with the notion of the city as a 'dynamic and complex ecosystem' (Tjallingii 1991: 7): that is, one adjusted to the true cost of energy ('true' in relationship to the cost of matching demand with ecologically-limited supply). The cheap energy economy made possible today's sprawling cities and the conversion of local workers into commuters. It also changed the very notion and significance of locality. Indeed, even 'the local' becomes a 'sub-centre' as malls replace neighbourhood shops and services, and social networks and

responsibilities are increasingly based on non-geographic factors and identities. Another result has been further weakening of the already weak bonds of 'social capital'.

For advocates of a sustainable future, the demise of cheap fossil fuel should be seen as providing an opportunity for general reassessment. Where moral exhortation or an appeal to long-term rational self-interest fails, the price mechanism substitutes an entirely impersonal influence. The significant hike in the price of oil will be only the first of many moves to adjust prices to ecological reality. Already a mild increase in the price of petrol has reduced the sales of fuel inefficient family vehicles, with a simultaneous, if moderate, take-up of hybrid cars and LPG conversions. A more realistic market price — even if only to match current European levels — would reinforce the trend. A comparable increase in the general cost of living might well restore more traditional patterns of consumption. For the most part, commodity prices would reflect the relative cost of providing, and demand for, goods and, indirectly, services in a market economy no longer coasting on the historically abnormal conditions of cheap fossil fuel.

### **A LIGHT RAIL SYSTEM FOR CANBERRA**

The ACT is a small polity, where representatives are in close personal contact with their constituents. When an electorate can plainly see its government is constrained, there is less likelihood high-flown rhetoric will be taken seriously. As with the *Canberra Plan*, this does not prevent politicians' making the attempt. Accountability, however, involves a more direct acquittal of their responsibilities.

The other side of the coin is that effective government would turn these limitations to good account. In the case of sustainable development, however it is postulated, an ACT Government can undertake two kinds of initiative. In the first place, it can lead by example to reduce the city's use of natural resources and production of wastes, rather than simply mandating rules to be complied with.

There are several examples. In Canberra, senior public servants are provided with cars as part of their remuneration package, partly because of the hours they work, but largely for artificial reasons to do with the government depriving itself of tax. And middle-ranking public servants are encouraged to buy cars through equally artificial Fringe Benefits Tax arrangements. So cars are associated with status, while traveling by bus, as noted, is regarded as a sign of inferiority, almost ignoble — not because of the operation of a free market, but the exact reverse.<sup>6</sup>

Governments are also major building owners and tenants, and can be exemplary in the environmental standards they require in their own buildings; for instance, through retrofitting of offices and schools as well as new construction. Other instances might include a scheme of low-interest loans for the private retrofitting energy- and water-saving measures, funded from savings on utility bills.

The second kind of initiative is for government to act as a catalyst for broader collaboration with the private sector. Infrastructure development and maintenance is the most obvious example; and within that, transport the most obviously expensive and far-reaching component. It is also the policy field in which the impact of an expensive energy economy will be most immediately and permanently felt.

Like the city, the suburbs will not wither away. Nor will car-dependence for cross-suburban movement and family activities. What *can* be changed is reliance on the car

for ordinary commuting. The obvious answer is a light rail system, or adaptation of Transit Oriented Development (Gilbert & Ginn 2001).

The political and economic challenge is to make public transport more attractive than private cars for more journeys, especially between home and work. Since it is reasonable to suppose the continuing high price of petrol will constitute enough of a stick, the emphasis has to be on the carrot. Several general possibilities come to mind. One is to make the commuters' public transport free, or to involve only nominal cost, at least during peak commuting periods.

Canberra's public transport use has been an embarrassment for successive governments; and the development of an efficient system is a bipartisan objective.<sup>7</sup> The current target of increasing bus use from seven to 16 per cent by 2026 (ACT Planning & Land Authority 2004: ii) is, to say the least, minimalist — and in any case unlikely to be met. The only actual growth in public transport usage can be explained by population growth and the construction of new routes. Initiatives such as improved bus interchanges, real-time bus information and a busway between two of the city's towns do not address the underlying problem of over-reliance on private cars. Unlike improvements in South-East Brisbane (Donato 2003), on which current ACT policy is largely based, this proposal would not greatly reduce commuter travel times.

The current Sustainability Plan divides into 'soft' initiatives such as better information systems and 'hard' initiatives like bus priority measures and cycling paths (ACT Planning & Land Authority 2004: iv) The truly hard initiative would be the development of a light-rail system to link the territory's constituent towns.

Canberra was originally designed for light rail. The idea has been resuscitated a number of times over the past 20 years, only to be discarded. Recent attempts to pursue the 'Griffin Legacy' are notable for ignoring it altogether. The claims in favour are strong. Rail friction is seven to eight times less than that of rubber-tyred vehicles. While a road lane can carry about 2500 an hour and a busway about 5000, light rail can carry between 7000 and 10,000 (Newman 2005).

Sydney has reintroduced a tram service of sorts and Brisbane is considering trams. Despite a 'car culture' more entrenched than even ours, many North American cities centre on tramways (including San Francisco, Salt Lake City and Minneapolis). Perhaps more pertinent are those medium-sized cities with a comparable population to that projected for Canberra in 2030, such as Eskisehir in Turkey (with a population of 500,000); Wroclaw in Poland (700,000), Las Vegas (500,000) and Edmonton (665,000). European cities of similar population size to Canberra with light rail systems have many more journeys a year on public transport than do cities with bus-only systems.

### **Financing Options**

It has been apparent for years that sensible public transport could pay for itself, especially in a city where the land-acquisition needs are few, and facilitated by the leasehold system. But, clearly, a light rail project would require a significant capital outlay.

All governments these days — but especially, and ironically, Labor governments — are now reluctant to borrow in order to fund what any sane person would regard as necessary, long-term investment. Labor governments have burned their fingers very badly in the none too distant past — especially in Victoria. The result, though, has been

not a more careful approach to public borrowing, but an aversion to any public borrowing at all. The current ACT Government policy of limiting capital expenditure to what can be paid for from the annual budget would clearly rule out any such project as a light rail system. In this Labor differs from, among others, the Property Council, the Australian Industry Group, the ANZ Bank and even Standard & Poor's (Fels 2004).

Yet there is a fundamental difference between borrowing for short-term consumption and borrowing to pay for essential infrastructure (McAuley 2003): borrowing can be done for good as well as bad purposes. It is time those in charge of public finances rethought their own cultural cringe. Just as the average family can only finance home ownership through borrowing, so the average polity must finance at least some of its wealth-building infrastructure from borrowings.

But the role of the private sector can extend beyond being the source of loan capital: it can have a more active role, including sharing some of the risks. In principle there are three options:

- total government financing through borrowing, government ownership and management;
- total private financing, ownership and management; or
- some form of public-private partnership or PPP.

None of these is perfect. But because of the prevailing ideological climate, the advantages of risk-sharing, what I have said about the limitations of government, and the need to maximize community involvement, some sort of public-private partnership appears the most desirable.

But we need to be cautious and avoid the trap of thinking that PPPs are an unalloyed good. Despite their ostensible attractions, public-private partnerships have the potential to combine the worst habits of both partners, as exemplified by the debacle of the cross-Sydney tunnel. At its simplest and worst: profits can be privatised, and losses socialised (Hodge 2005).

### **Salvaging PPPs**

Given these downsides, it is understandable many governments are tempted to abandon PPPs altogether — as the NSW Government seems to have done, at least in the short term. Yet this presents them with the stark choice of abandoning infrastructure projects — or assuming all the risks themselves.

To counter this, it is first important to remember there is no single model for public-private collaboration. Any particular venture has to reflect the particular needs to be served. And safeguards clearly must be built in.

We should also remember there is nothing at all new about what we now call PPPs. In one way or other they go back to the ancient world. In relatively modern times, the best example is the PPP that helped make up the fleet with which Francis Drake conquered the Spanish Armada. Some 82 per cent of the 197 vessels were private contractors to the Admiralty.

The Admiralty in 1588 was part of a monarchical system of government, not subject to the electoral temptations and gambles of a present-day liberal democracy. The government's interests were not only long-term, but grounded in an executive power

that today's cabinets can only dream of. They did not have problems with accountability — only accounts.

By contrast, modern governments' main interest is in getting a new piece of infrastructure as quickly as possible and at the least possible cost — preferably no immediate cost at all, ignorant of — or ignoring — the longer-term or hidden costs and risks.

### **Value Capture**

One type of partnership which may avoid the need for direct borrowing is based on *value capture*. As a leasehold city, Canberra is particularly well placed to utilise such a model to help pay for expensive infrastructure through the increasing value of land along any light rail route. Businesses would have numerous reasons to relocate along the transit route: reduced general transportation costs, and access to larger pool of potential services, jobs, customers and employees. Investors gain from increased land value along the route — a *permanent* route, unlike most bus routes. This would encourage medium to long-term investment and permanent business relocation.

There are numerous historical and contemporary precedents. Value capture was, for example, used to develop rail networks in the United States and was initially proposed by the South Australian Government to fund the Adelaide to Darwin railway (Fischer 2004: 14).

Today, Hong Kong's rail transit system receives no subsidy. All costs (including interest) are met from land rents from development in station areas. Surplus values have also been generated from Washington DC's Metro and the London tube extension. Brisbane has experienced a significant increase in land values along its busway.

But these are high density cities with little direct bearing on Canberra's situation. Much closer in scale is the Dublin Area Regional Transport (DART) system: which development added US\$62 million (in 1991 dollars) to surrounding property values (Barry 1991: 208).

Whichever course is adopted, government would play a leading role, going beyond gestures and grand designs to the sort of practical intervention only governments can make. It would certainly be expensive and probably involve public debt, but such occasionally is the responsible course for those in charge of public service.

### **CONCLUSION**

That governments can do relatively little that is effective is not in itself cause for concern. Limited government is an ideal to which many cautious political philosophies have subscribed. But it is usually advocated on the basis of a thriving civil society, with substantial 'social capital'. Problems arise only when there is both a public and governmental belief that governments can and should do more than they are able, and where social capital or community engagement is weak. The result is that governments do 'do something' — anything rather than nothing — but without effective purpose. Such directionless busyness is characteristic of much policy rhetoric (especially in its magical thinking) and 'action' about sustainability.

What I hope to have outlined is the possibility of middle-level argument which takes seriously the overarching meaning of 'sustainability' and leads to coherent, integrated policy proposals.

My suggestion for Canberra is that by taking into account the city's unique profile, we can devise an integrated urban design policy that would give meaning to the notion of a 'sustainable city': one in which the development of a light rail transit system would play a crucial part.

This is not exceptionally ambitious. Nor is it over-optimistic. Most Canberrans enjoy driving their cars and avoid public transport. But they do not like paying more than they are used to for their petrol. And when the two come into conflict — as in so much else — the hip-pocket nerve usually prevails. But I believe we can build on this self-interest to put Canberrans' currently superficial ideals about sustainability into genuine practice.

Of course, whether this *will* ever happen is another question.

It is hard for anyone with experience of government to avoid becoming a pessimist about the prospect of governments abandoning short-sighted populism for foresight and vision.

However, like other Australians, Canberrans are beginning to see the virtues of a 'post-materialist' way of life, not because they have suddenly become virtuous, but because of the increased price of oil. What this price-fuelled virtue means for Canberra is that a light rail system is again on the cards. It still faces numerous obstacles — most obviously, how it would be paid for, who would manage it and who would own it.

I remain a pessimist, by nature and conviction. But at least that leaves open the happy possibility of being proved wrong.

## ENDNOTES

1. For example: 'Everything is "sustainable" these days: there are sustainable cars, sustainable blocks of flats, even sustainable school dinners. Everything, that is, except the Prince of Wales's arguments.' (Clark 2005).
2. The following terms of reference (from Sartori 1970) are used in this paper:
3. The *connotation* of a word is the class of qualities or attributes which determine the class of things to which that word applies; or the totality of characteristics anything must possess to be in the denotation of that word
4. The *denotation* of a word is the class of things to which that word applies; or the totality of objects indicated by that word.
5. *High level argument* involves a categorisation or generalisation which uses concepts that have maximal denotation and minimal connotation (such as 'democracy').
6. *Medium-level argument* involves a categorisation or generalisation using concepts with a balance of denotation and connotation (such as 'liberal democracy' or 'people's democracy').
7. *Low-level argument* involves a categorisation or generalisation using concepts with minimal denotation and maximal connotation (such as 'Hare-Clark system').
8. 'Together these three elements provide an integrated strategy for strengthening our economy and its capacity to deliver opportunities for all Canberrans, enhancing social justice and community cohesion and opportunity, and improving our ability to manage competing uses for land and preserving our environment' (ACT Government 2003:1).

9. The other guiding principles are: Integrating social environmental and economic factors in decision-making; taking a whole-of-government perspective; recognising that a strong and productive economy builds upon and is supported by a healthy environment and a healthy society; valuing and protecting ecological integrity and biodiversity; using resources prudently; implementing the precautionary principle; engaging the community; focusing where risks are highest and where the ACT has a capacity to influence; focusing on the wider region; and taking all costs and benefits into account.
10. This may be compared with the increasing use of data more sophisticated than GDP to measure countries' performance, such as the UNDP's Human Development Index or, in Australia, the Genuine Progress Indicator (Hamilton 1997) and Map of Australia's Progress (Australian Bureau of Statistics 2004).
11. As Mrs Thatcher said with regard to her putative 'great car-owning democracy': 'a man who, beyond the age of 26, finds himself on a bus can count himself as a failure.'
12. The *Public Transport Futures* report (Kellogg Brown & Root 2004) shows a *benefit* of \$1.4 – 1.5 billion over 20 years. This includes reduced cost in the existing bus network, less road building and maintenance, time saved, reduced accident costs and increased land value. The report was written when petrol prices were below 90c a litre.

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