

SEVEN PRINCIPLES OF

SOUND

ENVIRONMENTAL

POLICY


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Improving lives through market solutions

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ENVIRONMENTAL
POLICY

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THE SEVEN PRINCIPLES

- 1 Environmental stewardship starts with individuals, not politicians or bureaucracies.
- 2 Property rights are the most basic of human rights and an essential foundation for environmental stewardship.
- 3 Competition and voluntary cooperation fosters innovation and wise use of natural resources.
- 4 Efficiency is the key to reducing environmental impacts.
- 5 Harming prosperity harms the environment.
- 6 Top-down approaches rarely work.
- 7 Technological innovation is the key to improving the environment.

INTRODUCTION

We recognize and embrace our responsibility to care for environmentally beautiful and productive lands. Proper stewardship of our forests, rivers, rangelands and open spaces is an essential part of our everyday life. We care for the environment and believe that individuals and organizations possess the local knowledge needed to make effective stewardship decisions. Moving land use and management decisions from state bureaucracies to individuals in the field will incentivize the best decisions and promote long-term benefits for our natural resources.

In his speech “Seven Principles of Sound Public Policy,” Larry Reed, the first president of the Mackinac Center, brought together a list of foundational truths to help guide

the creation of effective public policy. As policymakers better understand the impacts that environmental policy has on our everyday lives, the need to establish a similar list of foundational environmental policy truths has also become clear.

The knee-jerk notion that “there oughta be a law” or that government is the only entity capable of addressing externalities in environmental management or conflicts over resource use has become ubiquitous. But enlisting the power of free markets, property rights and rapid technological advances strengthens and improves environmental management at all levels. In fact, markets typically respond to environmental concerns far more quickly and efficiently than a slow-moving bureaucracy, and a strong defense of property rights will often provide a better environmental defense than regulation.

The seven basic principles presented here will provide legislators and regulators with a solid foundation for establishing policies that can effectively manage our beautiful and productive natural areas. At the same time, these principles will ensure that private property rights are protected and the productive and creative abilities of free markets are maximized.

ONE.

Environmental stewardship starts with individuals, not politicians or bureaucracies.

Rather than outsourcing environmentalism to politicians, personal responsibility is the best path to responsible stewardship. Incentives matter, and people already know how to be more energy efficient, reduce their resource use, save water and care for their land — it's in their own best interest to make those choices. People don't need pamphlets, mandates, complex rules or the government's permission to make choices that improve their own lives and the environment.

TWO.


Property rights are the most basic of human rights and an essential foundation for environmental stewardship.

Property rights give people the security they need to take risks and encourage experimentation in the management, use and conservation of natural resources. When people are sure they own their property and can bank on the returns they earn when they mix their labor with their land and resources, they will benefit from the productive and careful use of that property. Ranchers will produce more beef with fewer resources; farmers will increase crop yields while using less water, fertilizer and pesticides; industries will produce more while using less energy and creating less pollution.

Pope Leo XIII recognized this notion in 1878: “Men always work harder and more readily when they work on that which belongs to them.” It is a simple and widely understood truth that people will work to protect and care for those things that they own, while those things that belong to everyone — and thus, no one — tend to be misused.

THREE


Competition and voluntary cooperation
fosters innovation and wise use of
natural resources.



Market competition should be the default mechanism for ensuring the sustainable use of our scarce natural resources. That is because competitive markets encourage efficient use of raw materials and generate technologies that meet our needs while also magnifying our ability to be good environmental stewards. Combining technological advances with personal incentives encourages people and businesses to produce less expensive, more useful products that also reduce overall environmental impacts. Voluntary association is consistent with the traditional American belief in individual freedoms and ensures all participants have skin in the game. Top-down government mandates lack these important elements.

FOUR.

Efficiency is the key to reducing environmental impacts.



No matter how serious climate change or any other environmental risk may be, efficiency and improved technologies — when willingly adopted — offer the best approach to reducing the environmental impacts of our lifestyle. As a means of reducing costs and resource needs, efficiency is a far superior approach to the failed political and regulatory approach. Reducing environmental risks does not require expensive and dangerous restrictions on domestic energy production and use. Additionally, our efforts to reduce environmental impacts should not mean we can outsource them to other nations. We should not require other nations to sacrifice their health and environmental quality so we can continue to meet our needs. Improved efficiency allows us to reduce emissions while still meeting those needs.

FIVE.

Harming prosperity harms the environment.

Wealth puts people in a far better position to care for the natural environment. Access to abundant, reliable and affordable natural resources, such as fossil and nuclear fuels, clean water and minerals, is a necessary precondition for generating that wealth and for ensuring human flourishing. Policies should be aimed at improving access to and the sustainable use of these resources. It's important to remember that, as America has become increasingly wealthy, we have had the freedom and security to ensure that our air and water become increasingly clean, a concept described by the Environmental Kuznets Curve. Our growing wealth has also allowed us to enjoy many other improving environmental conditions like expanded forestland, and massive increases in agricultural productivity. These improvements should be celebrated and encouraged, as prosperity allows us to improve our lives and reduce our environmental impact.

SIX.

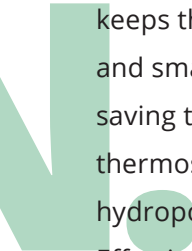
Top-down approaches rarely work.

Across our country, the top-down, government-run approach to environmental stewardship has failed both people and our natural areas. Attempts to preserve nature as untouched

wilderness has effectively abandoned our nation's wild areas, leaving them diseased and prone to destructive fires. Government programs spend vast sums of money but still fall well behind private efforts to improve air quality and energy efficiency. Elected officials have neglected our cherished national parks, allowing a backlog of billions of dollars in basic maintenance needs to build while they pour limited tax dollars into trendy subsidies for expensive and unreliable renewable energy. Politicians and green special interests gloss over and outsource to developing nations the environmental harms associated with manufacturing solar panels, car batteries and disposing of or recycling e-waste and electronic scrap. Despite these failures, they continue to promote the same failed, expensive, command-and-control policies. The top-down planning approach should be a last resort, not the default setting.

SEVEN

Technological innovation is the key to improving the environment.



Many environmental policies are stuck in the 1970s and the outdated and confrontational thinking and attitudes that keeps them in place hampers innovation. But individuals and small businesses have more access to environment-saving technologies than ever before, such as smart thermostats, hybrid vehicles, improved irrigation and hydroponic growing systems, LED lights and many more. Effective environmental policy will encourage technological innovation for its ability to reduce waste. But expensive and ineffective bureaucratic rules stall the development of these new technologies and, as a result, end up doing real harm to our natural environment.

PRINCIPLED POLICIES

Elected officials, the media and the public should recognize, support and advocate for market-based environmental solutions that provide important services and products in a sustainable manner. Policies that use the power of markets to improve the environment could take many different forms. Here are some examples.

- **Increase and encourage the active management of public lands**, including thinning and spacing of dense and overmatured national forests. Private contractors can help federal and state forest managers here. Doing this will improve forest health, increase usable wildlife habitat, reduce forest fires and diseases and create jobs.
- **Make property owners essential partners in wildlife protection**. Existing rules have failed to recover 98%

of endangered species. We should strive to improve those numbers. Monarch butterflies, fish in streams on farmland and forests and other endangered species rely on private land for their habitat. Instead of punishing private landowners with threats of confiscation when endangered species are found on their land, we should reward them for using their private property to support the protection and recovery of vulnerable species.

- **Encourage private conservation.** While government is able to conserve and manage sensitive natural areas in parks, recreation areas, national forests and more, some of the best opportunities we have to encourage conservation are on private lands. This is because over half of the forested land in the U.S. is privately owned or managed. Policies that encourage active conservation on private lands will help to ensure long-term protection of natural resources.

- **Expand choice in electrical utilities.** Government should open up electricity generation to competitive markets. Doing so would allow wealthy households to pay more for renewable energy sources if they choose to do so, while providing low-income households access to less expensive electricity options.
- **Remove regulatory burdens and strengthen the property rights of farmers.** Since 1960, American farmers have reduced water use by more than 80% for every dollar of production. Strong property rights will continue to encourage reductions in resource use, efficiently distributing water for effective and sustainable use.

ABOUT THE AUTHORS



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