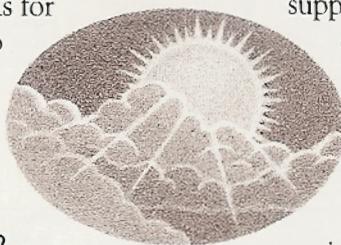


tional" airport ("Greener Pastures," March 1999). While this may please the solar energy crowd, I am not sure why this article is placed under the heading "Private Initiatives." Both the airport and the utility are governmental entities. That these august bodies have decided to generate electricity at a cost of about double the market rate is not an example of private initiative. It is an example of feel-good politics paid for by airport use taxes and subsidized every time I pay my electric bill.

James Burling  
Director, Property Rights Section  
Pacific Legal Foundation, Sacramento

Linda Platts replies: You are correct that neither the utility nor the airport is a private entity. I admit to taking liberties. While the column is intended to showcase private initiatives, I occasionally include public efforts that have the potential to use market mechanisms. As for the subsidy, the state requires utilities to spend 2.9% of their revenues on programs for the "public good," one of which is renewable energy.



## Benefits from Climate Change?

Daniel K. Benjamin argues that "free markets may help transform global climate change into a source of net benefits for humankind" because the species favored by climate change in the United States may be more economically productive than those that lose out ("Tangents," March 1999). This argument displays the incredible moral obtuseness on the part of some free market advocates that is one basic source of the distrust many environmentalists feel for all market advocates.

Climate change seems to bring this moral obtuseness to the fore. Benjamin assumes, so profoundly that he does not recognize his assumption, that as long as economic productivity increases, humanity benefits—that there are no moral issues involved in widespread loss of species, or that the issues are irrelevant to human welfare.

Similarly, he does not even note the distributional impacts of such change, that some communities and people will gain and others (such as the inhabitants of Bangladesh) will lose. The losers have not consented to have their lands flooded by the sea to support more profligate carbon dioxide emissions by the winners—nor will they be compensated. This is not the society of freely chosen transactions that market advocates claim to want—it is an enormous power grab over the commons of the global climate regime by the economically powerful.

These moral issues do not undercut the major

point Benjamin wanted to make—that markets can be an effective tool for minimizing the economic costs of climate. But it is one thing to argue that markets will minimize one of the negative consequences of climate change, and another to argue that this buffering mechanism transforms climate change from an enormous global roll of the dice, almost certain to produce many evils, into a net good.

Carl Pope  
Executive Director, The Sierra Club  
San Francisco

## PERC's Unflappable Blindness

I am frustrated by *PERC Reports'* unflappable blindness to any positive role for the government in supporting the environment. It is not necessary or helpful for a pro-market environmental economist to be anti-government.

PERC praises the laudable work done by private individuals and industries to begin to reduce human's footprint on the ecosystem, but fails to recognize that it is often legislation by the people (through their government) which provides the impetus for such changes. Markets exist for many enviro-capitalists because of the regulation-imposed need for businesses to reduce the impact of their negative externalities.

We gather as a government to decide the rules of the game—to codify our ethics into law. Then we gather as individuals and businesses to play the game, with market-refereed efficiency. How can efficiency and fairness be balanced when the market fails, such as with pollution externalities and common property? A tool used occasionally through the years seems to be coming of age. Public-private cooperation built the transcontinental railway and provided the local management structure for grazing lands, now the Bureau of Land Management. These cooperatives are becoming increasingly common now.

Today's public-private partnerships include Oregon's Quincy Library Group (*PERC Reports*, March 1998), Trout Creek Mountain Working Group, Colorado's range management groups, and Arizona's Grand Canyon Forests Partnerships. They are blessed and burdened by a panoply of voices representing business, the environment, and the government (the people). Such groups confront their differences and find common goals, working toward solutions with which everyone can live. In most if not all cases, there would be no basis for compromise without legislation, our codified ethics, to bring all parties to the table.