Land Use Policy 70 (2018) 172–181

Contents lists available at ScienceDirect

Land Use Policy

journal homepage: www.elsevier.com/locate/landusepol

Co-opting and resisting market based instruments for private land conservation

Benjamin Cooke[a,*], Gabriella Corbo-Perkins[b]

[a] Centre for Urban Research, School of Global, Urban and Social Studies, RMIT University, Melbourne, Australia
[b] School of Global, Urban and Social Studies, RMIT University, Melbourne, Australia

ARTICLE INFO

Keywords:
Market-based instruments
Reverse auction
Environmental governance
Qualitative
Novel ecosystems
Payments for ecosystem services

ABSTRACT

The increasing popularity of private land conservation (PLC) globally has quickly translated into an array of polices and programs aimed at achieving ecological benefits. The growth of PLC is entwined with the rise of neoliberal governance, with private land proving congruous with the promotion of market-based instruments (MBIs) and the reliance on private protected areas for conservation in lieu of government investment in public lands. Despite a growing literature on the implications of neoliberal environmental governance, there remains a need for specific insights into the way that individual landholders and ecologies can co-opt or resist the rationalities of MBIs in the practice of private land conservation. Through semi-structured interviews and property walks with 18 landholders, this research examines the implementation of a reverse-auction tender scheme called 'EcoTender' in Victoria, Australia. We uncovered four main tensions between the market logic of the program and conservation practice: 1) some landholders used the payment scheme to increase regulatory protections on their property through covenants/easements; 2) many landholders struggled to conceive of their stewardship practice as contractual labour; 3) landholders were producing novel ecosystems that challenged land management focused at the property parcel scale when EcoTender encouraged a return to historical benchmark ecologies, and; 4) many landholders wanted social collaboration when the program required competition for cost efficiency. Our insights show that PLC must create room for a diverse trajectory of conservation practice in dynamic socio-ecological contexts. This means careful reflection on the validity of assumptions underpinning MBIs, the trade-offs that come with applying market logic to conservation and the long-term implications of these instruments for policy and practice.

1. Introduction

Private land conservation (PLC) is generating significant interest and investment from governments, NGOs and communities around the globe (Clements et al., 2016). While the opportunities that PLC present for complementing public protected areas continue to be championed in the field, recent scholarship has turned a critical eye to the environmental governance context in which PLC sits, and the implications of these governance arrangements for the way that conservation plays out (Selinske et al., 2016; Lockie, 2013; Logan and Wekerle, 2008). The implications of neoliberal policy instruments for PLC has been central to this analysis, with questions centred around the transparency, equity and effectiveness of public expenditure for private conservation, especially in the form of conservation easements/covenants (Rissman et al., 2017; Morris 2008). The recent rise of market-based instruments (MBIs) as a conservation tool presents an important yet under-examined context in which to extend this analysis to policy mechanisms as they operate in practice (Selinske et al., 2016).

Unpacking the systematic assumptions of neoliberal governance critiques has shown that governance mentalities are rarely all encompassing when it comes to the creation of neoliberal policy subjects (Van Hecken et al., 2015). As Stuart et al. (2014) note, we need detailed case studies to examine how these approaches "succeed or fail when they move from ideas into practice" (p35). Existing research into the practice of MBIs has centred largely on payments of ecosystem services (PES) in the Majority World (McElwee et al., 2014; Pattanayak et al., 2010; Sattler and Matzdorf, 2013), and the capacity of PES to affect ongoing land use change (Van Hecken and Bastiaensen, 2010). We build on this work by examining how MBIs that use a reverse auction tender model for private land conservation in a western capitalist context are materialising in practice, with a specific focus on how individual landholders as policy subjects are co-opting or resisting the logic of MBIs (Higgins et al., 2014; Roth and Dressler, 2012; Van Hecken et al., 2015; McElwee et al., 2014). Given rapid environmental change processes that are

* Corresponding author.
E-mail address: ben.cooke@rmit.edu.au (B. Cooke).

http://dx.doi.org/10.1016/j.landusepol.2017.10.027
Received 23 June 2017; Received in revised form 1 September 2017; Accepted 13 October 2017
Available online 06 November 2017

challenging traditional approaches to conservation, we also explore how *ecologies* might resist the logic of MBIs. Empirical analysis of neoliberal environmental governance in action is critical if we are to properly assess the diverse forms neoliberalism can take, including how the outcomes it generates can depart from policy intentions (Engel et al., 2008).

This paper centres on a reverse-auction MBI called 'EcoTender' in Victoria, Australia. Through interviews, property walks and a participant forum with landholders, we examine the types of conservation actions that have emerged through landholder participation in EcoTender. We explore the tensions between the reverse auction tender model and landholder aspirations for permanent protection, how landholders approach the costing of their own labour as part of the bidding process, the ways that ecologies can resist program prescriptions framed around private property parcels and the desire for social interaction amongst participants in a program that requires competition between participants to drive down costs. We conclude by discussing the role for MBIs amidst local socio-ecological contexts and environmental change.

2. The governance context of MBIs for PLC

Neoliberal governance has traditionally been defined by increased marketisation, privatisation, and deregulation, in which state intervention is reduced (Mansfield, 2009). However, more recent incarnations have seen state agencies take an active role in regulating through market processes, with the aim of increasing cost efficiency. This has been referred too by Tickell and Peck (2002, p. 384) as "roll-out" neoliberalism, which denotes a shift in concern from deconstructing and denouncing "Keynesian-welfarist and social-collectivist institutions" and is "focused on the purposeful construction and consolidation of neoliberalized state forms, modes of governance, and regulatory relations". Unsurprisingly, this complex process of both de-regulation and *re-regulation* has characterised recent approaches to environmental governance (Lockie and Higgins, 2007; Stuart et al., 2014).

The neoliberalisation of environmental governance in particular consists of the promotion of market based programs and activities, the commodification and marketisation of the natural environment, and the increase in privately owned conservation sites, all of which result in decentralisation of conservation programs and control (Fletcher and Breitling, 2012). The underlying assumption here is that market logic provides the most effective and efficient way to govern, as it promotes "competition, creativity and innovation" (Lockie, 2013, p. 31; Fletcher and Büscher, 2017). This means approaches to environmental governance are touted as simultaneously strengthening economic and ecological sustainability while increasing both policy efficiency and flexibility (Fletcher et al., 2016). For private land conservation, the discourses of efficiency and flexibility have helped to legitimise market-based mechanisms (Cooke and Moon, 2015).

2.1. Hybrid governance in practice

Efforts to generate social and ecological benefits through neoliberal policy have underscored the competing logics that are inherent in this form of governance (Owley and Rissman, 2016; Roth and Dressler, 2012; Wynne-Jones, 2012). MBIs can contribute to nature commodification, while at the same time promoting social learning, community empowerment and the protection of threatened species (Higgins et al., 2012; Zammit, 2013). Recognising these competing logics creates room for diverse outcomes and dismisses any notion of neoliberalism as a project that generates homogenous results (Fletcher and Breitling, 2012; Roth and Dressler, 2012; McElwee, 2012). This combination of socio-environmental values within economically rationalist programs has been described as form of '*hybrid*' governance (Lockie and Higgins, 2007; Muradian and Rival, 2012; Lemos and Agrawal, 2006; Igoe and Brockington, 2007). However, we are of the view that the embedded market rationalities in MBIs as a policy instrument still makes them fundamentally neoliberal in conception. As Fletcher and Büscher (2017) note, it is the conceit that market logics are both the cause of and solution to environmental problems that make MBIs inherently neoliberal.

Hybrid governance reflects that "purely market-, state-, or civil society-based governance strategies depend for their efficacy on support from other domains of social interactions" (Lemos and Agrawal, 2006, p. 298). While much of the work on neoliberal conservation has centred on structural critiques (Schwartz, 2013), a growing body of research has begun to unpack hybrid governance by showing the divergence that can occur between the intentions of neoliberal conservation and the on-ground outcomes (McElwee et al., 2014; Vatn, 2015; Van Hecken et al., 2015; Roth and Dressler, 2012). Yet, in the context of western capitalist systems of governance, the analysis of MBIs for PLC in practice remains a largely understudied component of neoliberal conservation policy (Holmes, 2015; Higgins et al., 2012). We are specifically interested in understanding how and why individual landholders and ecologies can co-opt, resist or re-appropriate MBIs to generate unanticipated conservation outcomes. Unpacking the way that ecologies conform or resist enrolment as a policy subject is particularly important given growing attention to nonhuman agency in conservation and the capacity for conservation policy to respond to environmental change in the Anthropocene (Head et al., 2015). As we will explore, MBIs can carry embedded assumptions about how different species might flourish and spread (or not) which can be heavily contingent on socio-ecological context.

2.2. EcoTender – a reverse auction tender scheme for private land conservation

To explore MBI implementation we focus on landholder participation in a reverse-auction tender scheme called 'EcoTender', operated by the state government of Victoria, Australia. EcoTender, along with its partner scheme 'BushTender', were active between 2001 and 2016, and represent some of the earliest trials of reverse auction MBIs for conservation (Whitten et al., 2013; Zammit, 2013). Both schemes were part of a broader 'EcoMarkets' initiative that aimed to provide incentives to private landholders to manage land for conservation through the use market mechanisms (Stoneham et al., 2003; Blackmore and Doole, 2013; Whitten et al., 2013). Both EcoTender and BushTender operated the same way, with the Victorian government serving as the buyer of environmental goods "on behalf of the public" (DELWP, 2017). EcoTender saw landholders in a specified region competing for a finite pool of government funds through a blind auction. Landholders were invited to submit bids for the cost of conservation work they sought to undertake on their property. Like all reverse auctions, the process was designed to increase cost efficiency by creating competition for funds between landholders (Stoneham et al., 2003). Bids that represented the best value for money in terms of the conservation benefits generated (according to an Environmental Benefits Index developed by the government) would then be funded (Hajkowicz, 2009). With the conclusion of the EcoTender contracts that are the focus of this research, there are no expressions of interest for new tenders currently open – conservation tenders are now primarily operated by catchment/watershed management agencies in Victoria.

Reverse auction tenders like EcoTender are an example of a payment approach to MBIs for conservation (Pirard, 2012; Cooke and Moon, 2015). The existence of competition between landholders for funds, the way landholder costs and ecological benefits are revealed through the bidding process, and the framing of the state as a buyer of conservation benefits are the primary MBI characteristics of EcoTender (Pirard, 2012; Wunder et al., 2008; Wunder, 2015). These characteristics, in combination with the emphasis and reliance on private land rights for program delivery, reveal an assumption that market logics offer the solution to managing the problems of environmental