Introduction

As the first decade of the twenty first century finished, hope that a global solution could be found to limit anthropogenic global warming was fading. A long period of buoyant economic conditions, fuelled by rapid development in emerging economies and cheap finance from countries with surplus savings, had come to a sudden end as the global financial crisis (GFC) struck. The November 2009, Copenhagen meeting to find an agreement to follow on from the Kyoto Protocol had not been able to resolve issues between the rich and poor countries, or those of the emerging economies. The GFC appeared to highlight what could become the defining theme of the century: the choice between progress and the planet (Charlton 2011).

The credit crunch, financial crisis and subsequent recession from 2008 to 2010 in almost every developed economy has adversely affected the global economy in a way that hasn’t occurred since the 1930’s Great Depression (Wolf 2009). The prolonged and severe effects of the crisis see it being regarded by some as a crisis of capitalism (Gamble 2009; Pilling 2012). However, without a credible alternative to capitalism, it is likely that it will lead to a testing and challenging of capitalist ideology, institutions, and power arrangements, rather than replacement with another ideology. It can be expected that this will enable a reinvigorated form of capitalism to continue (Gamble 2009). An important way to understand this process is to study the consequences, especially with a national focus, as each county frames the event differently in relation to their economies.

This paper contributes to such assessment by using the explanatory power of the ecopolitical theories of ecological modernisation, the intergenerational value change of postmaterialism, and consumer and citizens’ preferences, to study consequences of the GFC in three nations: Australia, New Zealand and Spain. How elites discursively constructed climate change issues during the crisis, election results, and public opinion survey data are studied. Ecopolitical theory only developed as a cohesive school of thought in the late 1960s, and the severity of the GFC provides an opportunity to examine those theories that relate to economic circumstances. Ecopolitical theory helps understand how environmental problems can be managed within the political process. First the background of the GFC and climate change policy in the three case countries is examined. This is followed by a brief explanation of the three ecopolitical theories, ecological modernisation, postmaterialism, and consumer and citizen’s preferences. Then each case country is examined in regard to linguistic framing of events and political decisions taken during the GFC. This is followed by discussion and conclusions relating the findings for the three countries.
Understanding the influences on what action is taken during this difficult period contributes to understanding decisions on climate change actions, either as a policy maker or as one trying to influence the policy process.

**The global financial crisis and three case countries**

Flow-on financial problems from poor lending practices and use of financial debt on-selling instruments in the United States (US) affected the global economy but how it played out in each national setting, varied according to national economic and political factors. The three case countries examined in this study are advanced, developed economies and were affected to varying degrees by the crisis. When the potential impacts of the deteriorating global financial conditions were recognised, these three governments all followed the internationally preferred remedial action of injecting public money into their economies in an attempt to stimulate them. Countries of the world applied the lesson learnt from the disastrous effects of protectionism and lack of money supply in the Great Depression (Wolf 2009). Governments were acting on their economic imperative to protect their economies, and therefore their citizens, from the worst effects of a major financial crisis. There was a tendency during this time to think that the policy actions used reflected “deep wisdom” but under the existing market conditions these turned out to be “destructive folly” (Krugman 2012, online source). Instead countries have been left with a legacy of unsustainable debt and international pressure to introduce austerity policies to manage the debt.

In Australian, the government led by Prime Minister Rudd acted decisively with various stimulus programmes. This action contributed to the fact that Australia was one of very few OECD countries not to go into recession at this time (Garnaut 2009). Australia’s strong mineral exports were another key aspect of this achievement as the downturn in this sector was relatively short-lived. But in late 2008, especially in the non-mining sectors, the country still experienced considerable financial uncertainty as on-going revelations showed the extent of international market exposure to financial risk and businesses found themselves without credit facilities, and reduced consumer spending.

In the years leading up to the crisis both New Zealand and Spain had been experiencing boom times in their property sectors and by the beginning of 2008 both countries were already showing signs these “bubbles” were bursting. In New Zealand, cheap finance availability and borrowing on equity had driven a great deal of speculative property investment. Poor lending and capital holding practices caused a number of finance companies to fail, and coupled with the effects of a drought in the main dairy farming region, New Zealand went into recession in the third quarter of 2008. The GFC increased pressure on financial institutions and caused great uncertainty and pressure on how the country could handle the crisis (Bollard 2010). Over much the same period in Spain a construction boom had resulted in approximately one million unsold dwellings at the end of 2008 and there was little political will to control the situation (Smyth 2011). External investment flow into the Spanish property market was beginning to slow and failure of construction companies began occurring from late 2007 (Olivares 2007). Property markets are well known for following a cyclic course of peak and troughs and many international commentators anticipated the Spanish construction industry would reach a peak and “burst”, or at best slow down (Graff 2006), but the global financial crisis contributed
to a spectacular crash. Poor business and financial practices along with political corruption were all exposed as the industry tried to reorganise and survive.

To understand how elites and public opinion were influenced by the GFC the issue of climate change actions provides a valuable point of comparison in relation to the ecopolitical theories being studied. Governments were faced with a severe threat to their economies at the same time as they needed to advance international agreement on an issue that could severely affect the world in the future. The 2009 Copenhagen meeting to advance action on limiting GHG emissions meant these three governments were dealing with the GFC as the same time as they were preparing their policy position for post-Kyoto Protocol decision making.

**Climate change policy as an issue of comparison during the GFC**

Coming into the 21st century there was reasonable hope international agreement could be reached on action to limit anthropogenic GHGs. Scientific consensus and growing acknowledgement of the problem by political elites had moved this issue well up the political agenda (IPPC 2007; Ban 2009). Citizens in developed countries were increasingly aware of the issue and in most cases a majority were demanding action be taken. The governments of many countries were already implementing policy to meet Kyoto Protocol obligations as well as planning their position for an anticipated new agreement for when the Kyoto agreement expired in 2012.

By 2008 all three case countries were parties to the Kyoto Protocol. Australia, who had aligned with the United States of America and not ratified the agreement, did so as one of the first actions of the new Rudd Government which came into power in November 2007 (Rootes 2008). Spain has had an emissions trading scheme (ETS) in operation since 2005 as part of the European Union (EU) scheme, and New Zealand passed an ETS into law in September 2008. By the end of 2008 the Australian Labor Government was well underway with the policy process for introducing an election-promised ETS. A Green Paper was released in July 2008 followed by a White Paper outlining the details of the proposed scheme which was released in December 2008. Compared to the Spanish ETS which had been adopted and introduced with little debate in the public arena, the political space around the schemes in New Zealand and Australia was highly contested. Spain had also adopted the 20 20 by 2020 climate energy package to reduce emissions by 20% by 2020 and achieve 20% renewable energy use by 2020 (Barroso 2008). Spain is on target to meet this renewable energy target with renewable wind energy production alone reaching 15.9% in 2011 (European Wind Energy Association 2012, p.11).

Mounting concern about the effects of GHGs on the planet’s climate has made this an international issue. Concern had been promoted through the new social movements, such as environmentalism, that began to develop in the seventies. This has had significant impact on political development and many concerns championed by these movements had moved to the mainstream political arena by the turn of the century (Dalton 2008, p.64). Scientific consensus and acceptance by political elites had ensured that climate change was established internationally as a priority issue by 2008. Public support for action on global warming in the three case countries was high in 2008 and the issue was well up the political agenda in Australia and New Zealand where it had been a priority issue in their respective elections of 2007 and 2008 (Rootes 2008; Edwards 2009).
Examining how the ecopolitical theories of ecological modernisation, postmaterialism and consumer and citizen preferences’ relate to the evolution of climate change policy under severe economic conditions helps us understand the consequences of the crisis in regard to environmental protection. While an economically based theory such as ecological modernisation, and theories based on value and preferences changes can seem dichotomously opposed to each other, it is useful to study them together to build our understanding of events. Each theory is briefly described to illustrate the role they can play in explaining events during this time.

**Three ecopolitical theories**

The background and relevance of each theory is briefly outlined. These theories were posited in the 70s and 80s as the need to deal with environmental damage related to human development began to attract greater attention and demands from citizens to their governments to take action. With the GFC the theories are able to be examined under the most severe economic conditions that have existed since the 1930s.

*Ecological modernisation.*

It is increasingly recognised that free market economies, based on the growth paradigm, are using up finite resources and causing irreparable damage to the environment. Ecological modernisation has become the discourse and practice adopted by rich industrialised countries to deal with their ecological problems (Blühdorn 2001). The basic concept is that through including ecological consideration in existing means of production greater business efficiencies can be achieved that gives competitive advantage at the same time as decreasing environmental damage: a win-win solution. This discourse provides a way for advanced industrial societies to deal with their environmental problems without fundamental change (Blühdorn 2001). While there are many critics of the theory and practice of ecological modernisation, it makes important progress in recognising the economic costs of environmental problems and, even in its softest form, has transformational potential (Curran 2009). An ETS incorporates the principles of ecological modernisation. By putting a price and limit on emissions there is an incentive for energy intensive businesses to find innovative technologies to reduce emissions and increase efficiencies, thereby reducing costs: a market instrument to deal with a market failure.

*Postmaterialism.*

There is much study that shows “socioeconomic development brings major social, cultural and political change” (Inglehart and Welzel 2005, p.1). Ronald Inglehart’s theory of intergenerational value change, postmaterialism, has been prominent in this field (Inglehart 1971; Inglehart 2008). This theory helps understand how citizens have reacted to the crisis and how their support for climate change policy action has been influenced. Values form part of beliefs of what society should represent to people (Dalton 2008). Values will therefore be influential in what politics people support and what political action they will take. Inglehart’s theory is based on two hypotheses. The first is a scarcity hypothesis that postulates that people value what is in least supply more than what is abundant. Therefore when basic material needs such as jobs and homes are in short supply or under threat, these will be the priority
to the person. The other hypothesis, the socialisation hypothesis, concerns value formation in the social setting of the formative years of life (Inglehart 2008). Survey data over many years show that in rich industrialised counties there has been a shift from materialist to postmaterialist values due to generational replacement (Inglehart 2008). Inglehart has shown period effects from difficult economic conditions and postulates that people may answer the survey question differently at such times but this temporary drop disappears once the economic conditions improve and postmaterialist values endure over time (Inglehart and Abramson 1994).

In more recent years Inglehart, along with Christian Welzel, developed the theory of postmaterialism into a broader framework where they considered this as a part of change in modern societies. The materialist values of meeting basic needs form part of what they called survival values, while postmaterialist values are closely related to what they termed self-expression values. This moved postmaterialist theory to a wider consideration of human development on the basis of socioeconomic development, culture and democratization (Inglehart and Welzel 2005, p.1). Self-expression values influence democracy as people with these values give greater importance to civil and political liberties which in turn increase the quality of democracy. Here the influence of such value change in the three countries studied is considered to understand decisions taken by citizens and how this has influenced their political participation.

**Consumer preferences and citizen preferences**

In Western democracies, especially Anglo-American societies, individual preferences form a basis for political deliberations. An original intention of the American Constitution was to create a deliberative democracy operating between political equals which moved respect for private preferences to centre stage (Sunstein 1991). This central role of preferences in contemporary democracies has resulted in a considerable literature on the topic. One author who challenged the unqualified use of individual preferences in policy decisions was Mark Sagoff. Sagoff maintained that decisions an individual makes as a consumer may be different to those they make as a citizen (Sagoff 2005). For example an individual may express their consumer preference by driving their car to work in the centre of the city. But when a congestion law is proposed to restrict cars entering the centre of the city, they may support this and vote according to what they think is best for the community: their citizen preference. Consumer preferences are typically measured by market techniques such as willingness-to-pay surveys and cost-benefit-analysis. Citizens’ preferences are revealed through elections, political debates and public opinion surveys. For this study surveys and voting results are used to determine how the GFC has affected consumer and citizen preferences, and in turn how these have affected political decisions during this period.

These three theories provide a useful platform from which to evaluate how the GFC has influenced actions and decisions in these countries. The relevant data and background for each country is examined.

**The Australian Case Study**

The year before the GFC began Australia had changed from eleven and a half years with a government openly opposed to moving on any action against climate change
Elite interviews with business and industry players showed the discourse around the ETS to be focused on the economic imperative. The ETS couldn’t be to the detriment of international competitiveness, industry couldn’t stand more cost, there must be financial benefits, Australia shouldn’t go ahead of the rest of the world, Australian emissions are insignificant, and the rest of the world is doing nothing. As the policy process progressed during 2009 the industry voice became stronger and some interviewed felt the GFC added weight and media exposure to their discourse. Opposition from the extractive industry sector was well coordinated with intensive lobbying and use of the media to promote sectoral interests (Kevin 2009). Industry needed to claw back spending, every single dollar counted, trade-exposed industry need to stay competitive, and a conservative approach in policy is needed at this time, became common elements of the discourse. As one interviewee said “the talk-back jocks and a few right-wing types did their best to convince everyone it [the CPRS] was going to be the end of the Earth” (Interview, Participant [19]). With Australia not going into recession and the focus on what the ETS legislation would mean for key industries, there was a growing attitude that there had never been any threat to the Australian economy from the GFC by 2010 (Interview, Participant [24]). The opinion of several elites interviewed was that the GFC had little or only indirect influence on what happened with the ETS policy process during this time. They felt opposition would have been strong regardless of the economic conditions and, at most, the GFC only contributed to an amplification of issues such as opposition to increased costs and potential loss of competitiveness. Although in contrast to this, some close to the government policy process believe that without the GFC, Australia would have had an ETS in place by 2010 (Interview, Participant [22]). They stressed that when introducing complex economic reform in a contested political space, governments can only handle one major policy reform at a time. Supporting this view, in 2009 the Australian Government had cited the “deepening global recession” as the reason they would delay the ETS until 2012 (Robins, Clover et al. 2010, p.14). After examining the discourse elites were using to construct issues and to influence the wider community at this time, it is interesting to look at the situation in regard to
how citizens were constructing the issues. First influence of postmaterial values is examined.

A rise in postmaterialism has been demonstrated in Australia and in the 2005 World Values Survey was measured as 21.3% of the population (World Values Survey 2005-2008). This rising level of postmaterialism would suggest that as younger generations replace older generations their influence will be noticed in support for the environment and more altruistic issues. The Lowy polls, which include questions on climate change each year, find that younger people are much more likely to say climate change is a serious issue, support taking action, and more willing to pay for action than older Australians (Hanson 2010; Hanson 2011). The same level of higher support from younger people is seen for issues such as levels of foreign aid (Hanson 2010, p.15). Contrary to these findings Trantor and Western found the association between age and values in Australia to be very weak (Trantor and Western 2003). In Inglehart and Welzel's expanded theory using 2005-2007 World Values Survey results to plot self-expression values against survival values, Australia ranks in 5th position of the 53 societies countries graphed (Inglehart and Welzel 2010, p.554). This is consistent with the development of postmaterialism and self-expressive values in a society with a prolonged period of security and economic growth. Since the end of the Second World War this growth has only been interrupted by relatively short periods of economic hardship. The influence of growing self-expressive values can be seen in greater democratisation of the society’s institutions. In the 2011 Democracy Index which rates 60 indicators in 167 countries, Australia rates 6th (Economist Intelligence Unit 2011) which shows relative to other countries measured, Australia has experienced considerable democratic development.

In regard to consumer and citizen preferences, public opinion surveys and election voting were examined to evaluate citizen preferences while measurements of willingness-to-pay (WTP) were used to evaluate consumer preferences. As stated previously taking action on climate change was one of the top electoral issues in the 2007 elections and became a defining issue for the Rudd Labor Government. In 2007 various polls showed over 75% of the population supported taking action on climate change (ACNielson Australia 2007; Newspoll and The Australian 2007) and WTP for such action. The Lowy Poll, when measuring opinion on tackling climate change, shows results of 75% of Australians saying this a very important foreign policy goal in 2007 (World Public Opinion 2007) but this had dropped 29 points to 46% in the 2011 poll (Hanson 2011, p.7). The overall support for some level of action was still 81% in 2011 but is made up of a decreasing number wanting immediate action and more wanting gradual, lower cost action to be taken (Hanson 2011). Also by 2010 and 2011 there were decreasing numbers of people prepared to pay more for electricity and a growing number of people weren’t prepared to pay anymore (Hanson 2010; Hanson 2011).

The New Zealand Case Study

New Zealand was an early signatory to the Kyoto Protocol and ratified the Protocol in December 2002. The Clark led Labour Government managed to get an ETS passed into law two months before the general election they subsequently lost to the centre-right National Party. The National Government had supported the introduction of an ETS but promptly called a review of the legislation and a delay to introduction: an approach to satisfy business and farming interests which traditionally support the
National Party (Fleming 2008) as well as their coalition government partner, the Act Party. With New Zealand already in recession in the third quarter of 2008, the discourse from business and the agricultural sector had already moved to one on keeping costs down and not reducing international market competitiveness by the time the international extent of the GFC became evident. There was general political consensus in New Zealand about having an ETS (Carbon Group Ltd 2008) and honouring Kyoto commitments. Most objections focused on the levels of reduction to be achieved and on the planned inclusion of agriculture in the scheme. New Zealand has an unusual emissions profile with 70% renewable energy and the recent high growth in emissions comes from agriculture due to dairy farming undergoing rapid expansion in recent years. As in Australia, a discourse of ecological modernisation is used to deal with environmental problems although the term is not officially adopted. The discourse around the ETS debate concentrated on economic growth discourse and comments from New Zealand interviewees in 2010 included talk of pricing emissions, New Zealand’s trade exposure, reducing income, turning cost to opportunity, influencing investment choices and creating a selling point. As the GFC developed the discourse from those opposing an ETS focused on a perception that New Zealand was going alone internationally with an ETS. “We strut alone on an empty world stage” grabbed the headlines (George 2010) and why should New Zealand do anything when no one else is. The perception that New Zealand was the only country introducing a proper ETS was fostered by dismissing the EU ETS as a failure and focusing on the New Zealand ETS being a scheme that included all production sectors and all GHGs. Within the political arena the National Government noted a “softening of attitudes” towards the issue of climate change (Interview, Participant [6]) and after coming to power in late 2008 positioned themselves as a fast follower with the plumbing in place (Smith 2010, personal communication). Public discourse focused attention on the increased price the taxpayer would have to pay and the cost to households of increased energy costs. Prepare for pain in the pocket (Dominion Post 2008) and a slow growth decade called attention to household costs. Some elites interviewed in New Zealand felt the GFC had no impact, or at most, indirect influence on the political process of the ETS introduction and its implementation. When the amended ETS Bill was passed in late November 2009 reports focused on the deferral of real costs to the future, taxpayers paying the bill, polluters not having to pay (Fallow 2009).

In the 2005 World Values Survey the New Zealand population was measured as having 17.9% postmaterialists (World Values Survey 2005-2008). In a survey in the early 1990s a level of 14% was measured using the long battery of questions and as 9% using the shorter but more widely used list of questions (Vowles, Aimer et al. 1995, p.73). While there is more limited information available on levels of postmaterialism in New Zealand it appears to be increasing. Similarly New Zealand has generally enjoyed a long period of economic wellbeing and peace since the Second World War although economic problems during the 1970s related to the oil crisis and aggressive expansionary moves by the government (Downes 2000) caused a period of severe economic hardship. From this time New Zealand’s standard of living declined in comparison to other rich developed countries (Vowles, Aimer et al. 1995, p.72) but the citizens have still enjoyed low unemployment, peace and an enviable style of life. New Zealand’s small size and having an economy based on primary produce makes the country more vulnerable to international trading fluctuations. On Inglehart and Welzel’s 2005-2007 cultural map New Zealand
rated 4\textsuperscript{th} on self-expression values and 5\textsuperscript{th} in the world on the 2011 Democracy Index (World Values Survey 2005-2008; Economist Intelligence Unit 2011). New Zealanders have a strong sense of fair-play and value their life-style, their “clean, green image” and are active in opposing anything seen as a threat to these norms (Interview, participant [14]).

In a similar manner to postmaterialism, studying consumer values and citizen values also helps understand the influence of values and preferences on political decisions during the GFC. A survey in 2007 showed 77\% of people felt climate change was a problem to be dealt with now or urgently (ShapeNZ 2007). The result to the same question in March 2009 was 76\% (ShapeNZ 2009) and this fell to 65\% in 2010. The number who did not believe it was a problem at all had risen from 8\% in 2007 to 17\% in 2010 (ShapeNZ 2010). Although a majority of people still see climate change as a problem that needs action during the GFC it has dropped as a priority issue. By 2009 it rated 6\textsuperscript{th} as a priority issue in the ShapeNZ poll (ShapeNZ 2009) and the National Party’s own polling showed it had dropped as a priority issue from 3\textsuperscript{rd} position in 2007 to 12\textsuperscript{th} by 2010 (Smith, 2010 personal correspondence). Willingness to pay (WTP) also suffered a sharp decline over this time. A survey run by the Greenhouse Policy Coalition using a question that costs shouldn’t matter when the planet is at stake found support drop from 55.9\% in 2009 to 45.1\% in 2010 (Venables 2010). During the elections of November 2008 climate change was well up the agenda with the Labour Government having just introduced an ETS into law. It is interesting that 90\% of voters in 2008 voted for a party which supported an ETS and over 96\% for parties which accepted anthropogenic climate change as a reality (Carbon Group Ltd 2008). By the next elections in 2011 the ETS was in place and although climate change had dropped as a priority issue and WTP for action had dropped, a majority still felt this was an issue that needed action.

The Spanish Case Study

The GFC in Spain has played out very differently to that in New Zealand and Australia. Well ahead of both these countries, an ETS was implemented as part of the EU scheme in 2005. Also in contrast to these countries, lobbying during the setting up of the scheme and the problems of the first phase of the scheme were largely not reported in the public arena. Spain had also developed considerable renewable wind energy capacity and a supporting industry thanks to government feed-in tariffs. But Spain’s European-leading economic growth prior to 2008 had come from an unsustainable construction boom. As financial problems hit the sector and it began to implode, the weakness in investment in other sectors was exposed (Graff 2006, p.42). The Partido Socialista Obrero Español (PSOE) Government, elected in 2004, began making serious moves on improving Spain’s performance on environmental policy implementation most probably as a result of the EU market-environment integration regulations (Tábara 2007, p.174). The previous Partido Popular (PP) Government had paid scant attention to climate change as an issue or environmental reform in general (Tábara 2007). PSOE was re-elected in 2008 and President Zapatero spent most of 2009 refusing to use the word crisis instead saying he was an optimist and that the economic conditions would improve (Mallet, Barber et al. 2010).
The EU has committed to a goal of sustainable development but ecological modernisation is the discourse and strategy used to match this goal with managing environmental problems while continuing to promote economic growth (Baker 2007). In line with this, the use of low carbon technology innovation is central to EU climate change policy and the ETS and feed-in tariffs for renewable energy schemes are designed to force technological innovation (Szarka 2012). The discourse of sustainable development continues to form a central part of EU international policy strategy as well as forming part of the discourse as a values-based community (Schmidt 2009). Spain adopts the EU discourse and the renewable energy policies and new “smart” initiatives, like the Smart Cities & Communities Initiative, fit this discourse but in other respects Spain’s performance can disappoint. For example Spain’s measureable output from large amounts of EU funding for innovation is disappointingly low (Interview: Participant [46]).

Spanish discourse about the environment and climate change reflects the EU discourse and is therefore much more positive than that in New Zealand and Australia. This is consistent with the EU aim to build a level of public and political acceptance that has enables the EU Commission to introduce measures and become a leader on the issue of climate change (Schreurs and Tiberghien 2007). The discourse used in interviews during 2010-11 reflected this with comments on the need to invest in new technologies, Spain needs clean air for tourism, having a low level of contamination is important for a company’s image, a company in the ETS can earn a lot of money from carbon credits, Spain has a strong renewable energy sector – wind and solar, but at the same time businesses need to be able to see how it can make them money. But with the economic crisis, Spain has found that all discussion about environmental policy is tempered by the overriding crisis-related concerns of Spaniards. This preoccupation was shown in discourse which included you can only talk about unemployment, the people want jobs and we need to create employment. Since 2010 there has been a shift in EU discourse to promote economic advantages of green initiatives. This was reinforced in the public domain with discourse moving from one of moral responsibility and survival of humanity, to one of energy efficiency and improved innovation will save money. This narrative was considered more suited to “a public consumed with the economic crisis and that may be less concerned with rising seas than job security” (Chaffin 2010, online source). The use of terms like smart growth, green growth and the Smart Cities Initiative (Oettinger 2011) are consistent with this while others claim the huge potential of low carbon growth (PricewaterhouseCoopers 2011, p.6). While interviewees in Spain said it was business as usual to meet EU directives for environmental protection (Interview, Participant [40]) they also admitted that they would only do the base amount required because of the crisis. Businesses which were included in the 2004 Allocation Plan for emissions reductions had already invested a lot of money in reducing emissions before the crisis and had been making a lot of money from being able to sell carbon credits (Interview, Participant [40]). But in the public domain, the pre-crisis prominent promotion of environmental concern relating to consumer products, and reports relating to community action in the media, all but disappeared as the crisis deepened.

In 2007 World Values Survey Spain measured a level of 11.5% postmaterialists (World Values Survey 2005-2008). In 2008 a Special Eurobarometer Report, No 69, put postmaterialists at 8% and it was one of only two countries, the other being
Ireland, where materialists (45%) were higher than the mixed group (43%) (Eurobarometer 69.3 2008). Spain has experienced a much shorter period of economic well-being than the other two countries with economic growth only gaining momentum in the 1980s as democracy was established and the country joined the European Community in 1986 (Magone 2009). Since the 80s postmaterialism has been regularly included in surveys and has shown a steady increase to 2000, but appears to have stalled or is declining since then (Díez Nicolás 2008). Spain’s political culture has been shaped by a devastating civil war and the authoritarian dictatorship of General Franco. The relatively peaceful transition to democracy after Franco’s death in 1975, and the moderation characteristic of modern politics in Spain, can be attributed to this history (Magone 2009). On Inglehart and Welzel’s cultural map Spain is some way behind the two other case countries measuring 18th for self-expressive values on the 2005-2007 map (Inglehart and Welzel 2010). In keeping with this Spain was 25th in the 2011 Democracy Index (Economist Intelligence Unit 2011).

There is no shortage of data from opinion surveys for Spain. There are biannual Eurobarometer surveys (Eurobar) of each EU country, special Eurobar surveys and in Spain itself, a monthly survey of citizen opinion is conducted by the Centro de Investigaciones Sociológicas (CIS). As stated in the spring 2008 Eurobar the effects of a great deal of uncertainty from economic crisis were already observable (Eurobarometer 69.3 2008, p.5) and therefore the autumn 2007 Eurobar is used as a pre-crisis indicator of opinion. At this time people in Spain thought the most important issues facing the country were terrorism, housing, immigration and unemployment (Eurobarometer 68 2007). By autumn 2009 this had changed to clear majority choosing unemployment closely followed by the economic situation (Eurobarometer 72 2009). These priorities continue through to 2011 with the economic situation the highest concern followed by unemployment (Eurobarometer 75 2011). CIS polling confirmed these changes in priorities although the CIS figures show a greater and more sustained rise in concern about unemployment since mid-2009. Opinion on the environment and climate change are measured in special Eurobars although there is a lack of consistent questioning over time that makes it difficult to assess changes in opinions especially concerning the GFC and the related economic crisis. Special Eurobars on the environment and climate change have shown Europeans, and especially Spaniards, have remained concerned about these issues. In 2008 78% of Spaniards (European average 74%) thought protecting the environment should be a priority even if it affects economic growth (Eurobarometer 69.1 2008, p.59). In a PEW poll of 2009 people in Spain 61% considered global warming a serious problem although only a slim majority of people were willing to pay higher prices to address global climate change (Brechin and Bhandari 2011, p.875-6).

A special Eurobarometer measuring the attitudes of European citizens towards the environment showed that when asked “From the following list, please pick the five main environmental issues that you are worried about?” climate change dropped from a clear leading position at 57% in 2009 (Spain 57%) to a fifth equal position at 34% in 2011 (Spain 36%) (Special Eurobarometer 372 2011, p.29). Although in the same survey for the question “When people talk about “the environment” which of the following do you think of first? And then?”, climate change moved from 19% in 2009 (Spain 22%) to 40% in 2011 (Spain 46%) suggesting greater awareness of the issue. Scruggs and Benegal use data from Eurobarometer reports support their
claim that the GFC caused a decline in concern for climate change in the EU similar to the drop in concern in the US (Scruggs and Benegal 2012). The decline in those considering climate change “a very serious problem” dropped from 75% in spring 2008 to 63% in autumn 2009 but as the drop could be accounted for in those saying “a fairly serious problem”, 15% to 24%, the combined figures did not change a great deal (Special Eurobarometer 322 2009, p.16). These figures showing a large majority of Europeans and Spaniards believe the problem is serious.

The three case countries were economically influenced by the GFC to widely varying degrees: Australia was mildly affected compared to other developed countries, New Zealand to a moderate extent and Spain very severely. All had made commitments to reduce GHG emissions and were preparing decisions on implementation of policy and deciding targets and strategies to take to the November 2009 Conference of Parties 15 meeting in Copenhagen. How the circumstances of each country affected decisions during this time as well as pressure from international agencies is examined to help determine the effects of the GFC on the discourse and resulting policy decisions during this time.

**Linguistic framing and policy actions during the GFC**

Governments found the 2008 global financial crisis created an enormous challenge for them to protect their economies. The political discourse that dominated national and international issues worldwide at this time was related to financial markets, credit availability, product markets, and employment. The economic imperative of securing growth is particularly important for governments if they want to avoid electoral defeat (Scrase and Ockwell 2010). The three case countries of this study followed the financial wisdom of the moment and large amounts of public money were used to stimulate the economy and lessen recessionary effects. In Australia this was reasonably successful, and in New Zealand and Spain the action lessened the impact of the credit crunch and the general impact on their recession-hit economies. While the stimulus helped in the short term it has left a legacy of public debt that each of the governments continues to manage.

At the time of the GFC ecological modernisation was established in the three countries as the discourse and approach to manage environmental problems associated with their neoliberal, growth economies as well as to meet their international emission reduction commitments. It is the preferred approach for many advanced economies for dealing with environmental problems as it doesn't involve reforming the market economy. But even in the ‘soft’ form that has been adopted by the three case countries it has transformational potential through being introduced into policy decisions in general. By 2008 this approach was well established in each country in building laws, industrial energy and waste regulation, land use, amongst other areas of reform. Spain has adopted the EU discourse of ecological modernisation and the symbolic, EU integrating principles of sustainable development (Baker 2007). Both New Zealand and Australia have different challenges to many industrialised countries with adopting this discourse because of their commodity based economies. All the same its adoption is evident in political and industry discourse as the way to manage environmental problems. New Zealand passed an ETS into law and Australia spent two years attempting to introduce a scheme to manage GHG emissions. An ecological modernisation approach is also evident in planned future actions as Australia looks to using carbon capture and
storage to manage coal related emissions and New Zealand has initiated a global research alliance to do research to find solutions to manage their rising agricultural emissions.

New Zealand and Australia were still in the process of introducing carbon pricing in 2008 so less action investing in emission reducing technologies had been initiated than in Spain. Spain was already in the revised, second phase of the EU ETS and companies included in the 2004 Allocation Plan had installed new technology for reducing emissions, often driven by the incentive to sell excess emission rights (Interview, Participant [40]). Spain had also joined those EU countries calling for moves to increase emissions reductions to 30% on 1990 levels by 2020 (Jaeger, Paroussos et al. 2011), but this initiative seems to have disappeared as the crisis in Europe has deepened and other countries showed they were unwilling to increase commitments. The main influence of the GFC in Spain appears to be one of lessening regulatory pressure to push for greater emission reduction targets. Before the crisis autonomous region governments, down to town hall level, were enthusiastically joining European initiatives to meet 20 20 2020 targets and contemplating the 30% reduction target. Once the country went into recession regional government, where most environmental policy is implemented, moved to doing the minimum required under EU directives. By 2010 it appears that the adoption of ecological modernisation to deal with environmental problems was sufficiently established as the way of doing things in the three countries: in fact established to the extent that it is the taken for granted way of how things are done. Therefore some political and business elites when interviewed in each country felt the GFC had had minimal effect on ecological reform. Some felt there was a possibility that some new projects may have been delayed but as this type of investment centres on cost saving and competitive advantage it would still go ahead. But the GFC and the global economic uncertainty reduce reformative potential as businesses focus on issues of stable, affordable finance, and resisting anything that imposed extra costs on them.

So where do the citizens and their values fit in this business driven, economic growth based, lifestyle ensuring world? If economic growth contributes to improved standards of living for so many, is this the predominant issue that citizens support? Clearly the answer to this is no. As has been discussed in this paper, values in advanced economies have increasingly moved away from material values towards postmaterialist values. Postmaterial and self-expressive values make up a part of a modern shift in values to expecting a greater choice about what one can say and about what one can do in life. The GFC highlighted the dominant role finance had assumed globally and the interconnectedness of the financial world. Governments worldwide demonstrated they could not control or manage this market and their actions were seen by many as supporting and protecting the excesses of this elite world. The massive injections of public money to save financial institutions from failing left a legacy of many developed countries facing years of slow economic growth as they repay the debt accrued. The citizens have suddenly found themselves having to bear the brunt of this with public spending cuts, rising unemployment and business closures. An issue for this study is whether the difficult economic times, with rising unemployment, caused the postmaterialist and self-expression values to regress to more materialist values or have they endured and become part of the voice and pressure for greater reform and improved democracy. In the same way, do consumer preferences become more important when people
have less money and prices are increasing or do they retain their sense of society and still support their citizens’ preferences?

In Australia where the GFC only resulted in an economic downturn without recession, climate change action as a priority issue still dropped significantly, as did Australians’ willingness to pay for action. This could indicate people were influenced by the discourse of needing to secure economic growth although a majority still continued to see climate change as an issue that Australia had to act on. In the 2010 elections the Australian Green Party gained support from disgruntled Labor voters, rather than voters turning to the Coalition, a result which supports the poll data that the Australian voter still felt environmental issues, especially climate change action, needed to be kept on the agenda (MacKerras 2011). Australia rates very highly on the democratic index which reflects the many ways Australians can have input into the process of policy decision making. At the federal level, voters often express their citizen and consumer preferences by voting quite differently between the House of Representatives and the Senate (Blount 1998). It seems probable that the Rudd Government was distracted by the GFC and failed to put sufficient weight on the importance of introducing emission reducing legislation and subsequently Rudd lost leadership of the party and Labor nearly lost the 2010 elections.

In New Zealand there was a recession for five quarters and long-term slow economic growth is expected as the country deals with its debt issues. As it did in Australia, climate change dropped in public opinion as a priority issue. New Zealand has a well-supported green party and in the 2011 elections the Green Party of Aotearoa New Zealand’s vote was over 10% for the first time (Taylor 2011). With the economic conditions worrying people there were still many who voted ‘green’ to ensure the issues around lifestyle, clean, green New Zealand and climate change action stayed on the agenda (Taylor 2011). In 2010 a clear majority of citizens still see climate change as needing to be dealt with now or urgently. With the high quality of democracy in New Zealand there is closeness between the citizens and the political elite that many countries don’t enjoy. This makes the mood of the voters is very important for those in government. The government clearly tried to balance economic and environmental concerns during the GFC and the softening of the ETS was aimed strike a balance between these concerns.

In Spain there has been recession and almost zero growth since the GFC began and there is no sign of this changing for a number of years (Catan 2009 ). Support for climate change as a priority issue was in 8th position in 2010 (CIS 2010) but the issues that over-shadow all others is the economy and unemployment. Social unrest is a key concern for the government as they try to manage austerity programmes and resolve banking sector problems. The frustration at, and rejection of, established institutions, whether trade unions, the police, business, government, was evident in the 15-M Movement protests in 2011. These protests gave young people a voice and influence at a time when they had been talked at and about, without evidence of any meaningful action to deal with the issues that were important to them. The 15-M action in Spain demonstrated that many of the issues that are associated with rising postmaterialism and self-expression values remained part of this protest and it was not only about material concerns and employment problems. Spain is a country with a big gap between the citizenry and the political elite. The transition designed electoral system with high voting thresholds for small parties and the division of electoral districts, makes it very difficult for small parties to become influential. The
two main parties hold 295 of the 350 seats in Congress. As self-expression values of expecting more political voice increase with new generations, the internet and social networking sites have become important for expressing political opinions and for mobilising action, like occurred with the 15-M movement (Hughes 2011). Also influenced by growing demand for electoral reform, several new political parties have also appeared on a platform of opposing nationalism and demanding a more open election process (UPYD, Ciudadanos). As in much of the EU, Spanish citizens’ support for action on climate change has stayed high. But relative to the economic situation and unemployment it has dropped well below them as an issue of concern for the citizens. In polls citizens express a belief that climate change action is mainly the responsibility of the EU or the central government (Special Eurobarometer 372 2011). To the Spanish it appears the environment is still an important issue that needs action but someone else needs to deal to it as they try to make ends meet for the month. Given the severity of the economic situation in Spain it is not surprising that pressure on environmental regulation has dropped to the minimum needed to meet commitments.

With the government and institutional structures in each country being quite different and the severity of the GFC and its consequences in each country the effects on policy have also varied. Leo Tolstoy’s quote in Anna Karenina “happy families are all alike; every unhappy family is unhappy in its own way” can equally be applied to countries as we can see from this study. Under the good economic conditions before the GFC the three countries were equally happy enjoying the benefits of strong neoliberal societies. Now each has reacted in ways related to their own government and society structures as well as to the values and preferences of the citizens and how this relates to the way they have reacted.

Conclusion

Discourse during the GFC has been examined to see if it relates to the theories of ecological modernisation, postmaterialist value change, or consumer and citizen preferences. This has then been related to actions and decisions taken during the GFC. From the data analysed it appears the GFC has affected climate change policy action during this period and the discourse has been dominated by talking to the economic imperatives of each country. The use of discourse related to ecological modernisation has been most noticeable in Spain and undoubtedly comes from the EU discourse that supports market-environment integration regulations as part of the EU project. Technology and innovation are seen as, and talked about, as a way to achieve new economic growth and at the same time achieve the EU goals on emission reduction that is also an important part of the integration project. Just how much of the discourse related to ecological modernisation actually becomes part of policy and new development will have to be seen as each country manages the next few years under the challenging global market conditions. Unfortunately it seems doubtful sufficient effort will be made in the short term to introduce reform that will control GHG emissions at levels that will prevent dangerous global warming.

The priority of climate change as an issue has dropped for citizens in all three countries and this sends a signal to their governments that they can reduce pressure for the stronger measures. This was demonstrated in the actions and discourse in New Zealand. But although climate change as an issue has lost its priority as an
issue for the citizens, the majority in each country still believe action needs to be taken. This provides a challenge for governments as they can't ignore the issue completely due to their short term electoral interests. The three governments accept the science and that action need to be taken although both the Rudd and Gillard Labor Governments have not demonstrated a convincing policy approach on the issue. These governments are aware that a series of severe weather related events could very quickly move public opinion especially when so many people still consider climate change as an important issue needing action.

In New Zealand and Australia democratic development and levels of self-expression values are amongst the highest in the world which helps ensure their governments are more responsive and easier to influence through a variety of political activities. In contrast, Spain which has experienced rapid economic growth much later than most other advanced economies has not yet seen the influence on democratic development that rising postmaterial and self-expressive values support. Spain’s conservative electoral system is considered in need of reform to reflect modern values of democracy by a growing number of citizens. While economic conditions have been good and people have enjoyed the benefits this growth, moderation in politics that has been characteristic of the Spanish since the transition to democracy, has continued. The GFC and resulting severe economic downturn increases emerging dissent against the closed, remote political elite. With the GFC citizens, with their modern values of self-expression and autonomy, have watched increasing evidence of political corruption emerge, more evidence of self-serving interests, lack of ability or desire to deal with the crisis and its consequences. The failure of the political elite to manage the problems of the crisis, and to actually be considered part of the problem, manifested in an outpouring of frustration at a political system out of touch with a changing citizenry in the 15-M Movement protests of 2011. The hope is that political reform will form a part of the wider reform agenda that Spain is currently confronted with; the Spanish political elite needs to become more responsive and accountable to their citizens, especially younger ones who are disproportionately hit by high unemployment.

In the three countries studied the effect of the GFC on climate change policy has been one of lessening the urgency of dealing with GHG emission reductions in particular. The governments and business have focused on their economic imperatives and been reluctant to impose extra costs during this time of economic uncertainty. The discourse and practice of ecological modernisation is established but it has been given lower priority during this time. The role values and preferences have played in political actions has shown that, while concern for employment and personal wellbeing are important to citizens, during the GFC the values people have had an influence on how they have reacted during this time.

Bibliography


