



PERC

MARKET SOLUTIONS TO  
ENVIRONMENTAL PROBLEMS

# **Free Market Environmentalism— The Next Generation**

Prospectus for financial supporters

Property and Environment Research Center

Bozeman, MT

2013

## Contents

---

Executive Summary	2
Mission and Strategy	3
Program Details	3
About the Authors	4
Budget	6
Conclusion	6

---

## Executive Summary

---

The Property and Environment Research Center (PERC) is seeking investors in a project to market and share the third edition of *Free Market Environmentalism*, with the specific goal of reaching scholars, teachers, and students. First published in 1991 and revised in 2001, Terry L. Anderson and Donald R. Leal expect to publish the third edition in 2013. The third edition will have a slightly new twist; not only will it represent the “next generation” of the applications of free market environmentalism, it will feature chapters co-authored with the “next generation” of young scholars. These scholars, with special knowledge of ecosystem management, water markets, public land management, and environmental entrepreneurship, to mention a few, have worked with Anderson and Leal to provide new examples and to signal that the next generation of scholars is being nurtured at PERC. To ensure that these ideas reach a broader audience, especially college and high school students, PERC will launch a marketing effort to put the book in the hands of professors and teachers and to encourage students to connect electronically with PERC.

---

Using fundamental economic principles, this book will explore and advance a well-reasoned alternative to the notion that centralized government is necessary to solve environmental conflicts.

---

## Mission and Strategy

---

Since PERC opened its doors in 1980, the tapestry of environmentalism has changed dramatically. PERC has played a pivotal role in this transition by sponsoring and conducting research that has come to be known as free market environmentalism (FME). This work explores the basis for the belief that markets fail to account for and produce environmental quality. FME offers a principled alternative explanation showing how institutions and the incentives they generate can be aligned with resource stewardship and the production of environmental quality. At the heart of this solution are property rights — the rules of the game that determine whether natural resources are assets that are husbanded or squandered.

As the characteristics of the environmental debate change, so do the means by which information is distributed and absorbed. PERC has rapidly adapted to connect with individuals who increasingly receive their information on the Internet. Utilizing social media tools, video and podcast productions, and a newly revamped website, PERC is successfully connecting with new audiences around the globe. Building on PERC's outreach successes, the third edition of *Free Market Environmentalism* will be marketed and shared using these new mediums of information exchange.

When the book is published, PERC will use its website and social media to inform professors and teachers of the availability of the book and to encourage them to engage with PERC on ways the information can be incorporated into classrooms. PERC will also host lectures on campuses where professors express an interest in having PERC scholars present the ideas.

Scholars and policy analysts of all persuasions now take the ideas of FME seriously. It is time to involve the next generation in securing environmental quality for their future. The third edition of *Free Market Environmentalism* offers PERC the unique opportunity to reach out to this next generation. By utilizing a multi-channel approach, PERC will engage with students and young adults to continue to show how clear, enforceable rights to property and markets are the best solutions to environmental problems.

## Program Details

---

This project has four objectives:

- Publish and communicate the ways in which property rights and markets can promote environmental quality;
- Create a database of professors and teachers who might use the ideas and examples in their classrooms;
- Develop electronic communication with professors, teachers, and students including book clubs in which participants can interact electronically, featuring podcasts of

PERC scholars and environmental entrepreneurs who can demonstrate the efficacy of environmental markets; and

- Encourage teachers to develop teaching modules around the ideas in the book and around PERC case studies.

Our target audience is mainly professors, teachers, and students. To give the book the exposure it deserves, PERC will engage a marketing specialist to arrange a book tour and speaking engagements to publicize the linkages between markets, freedom, and environmental quality. An agent will be retained to ensure that the third edition is published by the best publisher possible.

After publication, PERC proposes an online forum, essentially an electronic book club for both teachers and students, to encourage meaningful discussion and debate regarding the role and future of FME. Employing social media tools such as Twitter, Facebook, and the *PERColator Blog*, individuals and classrooms will be encouraged to participate in weekly question and answer forums over the course of three months, receive regular podcast and video interviews with authors, and attend lectures given by PERC fellows on their home campuses.

Incentives will be given to students and teachers who are eager to participate, such as complimentary copies of the book, live video chats with the authors, and eventually a student conference held at the PERC offices in Bozeman, Montana. Additionally, the third edition of *Free Market Environmentalism* will be available to more than 90,000 libraries via the EBSCOhost interlibrary loan program.

## About the Authors

---

### Primary Authors

**Terry Anderson** is the president of PERC, the John and Jean DeNault Senior Fellow at the Hoover Institution, Stanford University; and professor emeritus at Montana State University.

Anderson is the author or editor of more than 30 books including *The Not So Wild, Wild West* with P. J. Hill (Stanford University Press 2004), which was awarded the 2005 Sir Antony Fisher International Memorial Award, and *Greener Than Thou: Are You Really an Environmentalist* with Laura Huggins (Hoover Institution Press 2008), which was a runner up for the same award in 2010. Anderson has published widely in professional journals, including the *Journal of Law and Economics* and *Economic Inquiry* and the popular press, including the *Wall Street Journal*, the *Christian Science Monitor*, and *Fly Fisherman*.

**Donald Leal** is a senior fellow at PERC. His research areas of interests include property rights in marine fisheries, U.S. western water markets, and economic institutions for inland fish and wildlife. He is coauthor with Terry Anderson of *Free Market Environmentalism* (1991), which received the 1992 Choice Outstanding Academic Book Award and the 1992

Sir Antony Fisher International Memorial Award. He currently serves on the Ad Hoc Grouper IFQ Advisory Panel for the Gulf of Mexico Fishery Management Council.

### **The Next Generation**

**Holly Fretwell** is a research fellow at PERC and an adjunct instructor at Montana State University where she has taught introductory economics, macroeconomics, natural resources and environmental economics. She works with the Foundation for Teaching Economics, conducting workshops for high school teachers to improve their skills in teaching and using economic tools. Fretwell has coauthored curriculum for high school teachers on economic principles and climate change issues.

**Katy Hansen** graduated *summa cum laude* with a major in industrial and management engineering and a minor in economics from Montana State University. While at Montana State, where she was student body vice president, she was also president of the Engineers without Borders chapter and led its projects in Kenya. She interned with the Mali Agribusiness Network. After graduating she worked at the Arava Institute at Kibbutz Kefura, Israel, on joint water conservation projects between Israel and the Palestinian Authority. In 2011, she received a prestigious Rhodes Scholarship to the University of Oxford, where she is currently seeking her MPhil in Water Science, Policy and Management.

**Laura Huggins** is a research fellow and the director of outreach with PERC as well as a research fellow at the Hoover Institution at Stanford University. She is primarily interested in the role of economic processes in shaping natural resource policy and in promoting market principles to a wide audience to help resolve environmental dilemmas. As part of this interest, she has expanded *PERC Reports* into a full-fledged magazine that serves as the leading voice of free market environmentalism.

**Shawn Regan** is a public affairs fellow and research fellow at PERC, as well as the managing editor of *PERC Reports*. He is a native of Georgia and a former backcountry ranger for the National Park Service. His research and writings have appeared in *High Country News*, *Regulation Magazine*, and *Grist*, and have been presented to the Association for Private Enterprise Education.

**Brandon Scarborough** is a research fellow at PERC currently focused on the use of water markets in the West to restore stream flows for wildlife, fish, and other environmental amenities. He is completing another project on carbon sequestration and the efficacy of using forest management to address climate change. His other interests include the interactions between natural resources and institutional quality, climate change, and how economic prosperity affects individuals' demands for environmental quality.

**Reed Watson** is a research fellow and the director of applied programs at PERC. He is also the director of PERC's Enviropreneur Institute. Watson's expertise lies in developing and promoting market-based solutions to natural resource conflicts, particularly for water and wildlife. Independent of PERC, Watson consults resource managers, policy makers, and conservation organizations on environmental resource valuation and deal structuring.

## Budget

---

With more than three decades of experience producing and refining PERC publications, PERC can produce a book of high-caliber content for \$100,000.

The following table provides more detailed budget information.

Description	Cost
Author Salaries	\$100,000
Research Assistance	25,000
Marketing	12,500
Online Forum Design	6,250
Podcast and Video Creation	6,250
Total	150,000
Funding Received to Date	75,000
<b>Funding Sought</b>	<b>\$75,000</b>

## Conclusion

---

*The 30th Anniversary of PERC gave me pause to think about its truly outstanding work ...Your sharp focus on problem solving and marketing ideas while educating the next generation has been really quite extraordinary.*

—John Blundell, former Director General of the London-based Institute of Economic Affairs.

PERC has a long and successful history of delivering books, projects, and programs on time and on budget. In the thirty years since PERC's founding, FME has moved from being an idea single-handedly promoted by a libertarian think tank in Montana, to a powerful, credible alternative to default command-and-control regulation whenever environmental problems arise.

This project offers PERC the opportunity to educate the next generation of free market scholars, policy makers, and environmental leaders. An investment in the publication of and marketing program for *Free Market Environmentalism* is an investment in the future success of PERC's liberty and the environment campaign.