Preface and acknowledgements

The origins of this book are in research undertaken for my PhD from 2003 to 2006. However, the thinking behind it comes from my time in the Australian Commonwealth Public Service. Commencing as a keen economics graduate with the Department of Industry, Technology and Commerce in 1990, that which non-economists take for granted soon became obvious as I observed the policy process and its machinations. This is that all organizations, whether government departments, non-government organizations or firms, are complex. They are made up of human beings, operating in institutionally diverse environments, and motivated by a range of factors. For firms in particular, it seemed to me that while profits may be a key motivator, how these are defined and achieved is not an easy question to answer. This gave me the impetus to undertake study in politics and international relations, and eventually complete a PhD. As an academic now, it still seems odd to me that, even in the politics literature, while states, international organizations and civil society are reasonably well *drawn*, firms are mostly (albeit with some notable exceptions) simply *sketched* as instrumental profit seekers.

Being narrowly sketched as such, the potential for firms to take environmental concerns into account is usually seen in terms of presenting them with things to which they can react. The arguments go something like this. Threats are required, such as attacking their financial bottom lines via penalties for non-compliance with regulations, or taxing their products so that changes in market forces present them with no alternative but to change what they offer consumers. Alternatively, incentives are required such as subsidies for new products, or new market opportunities stemming from instruments such as emissions trading schemes. In the absence of state intervention, it is optimistically hoped that increased consumer desires for environmental responsibility may produce change, along with the idea that there are stakeholders with whom firms wish to form relationships in order to improve their financial performance. In short, firms are treated as the objects rather than the subjects of study.

So, I wanted to examine how firms are political actors along with others that are more central in political science, such as states, social movements and international organizations. Being worried about the environment, and recognizing the growing prominence of the global environmental
concern of climate change, I thought I should look at an industry sector that ‘matters’ (in terms of size and economic influence), preferably one composed of large corporations (preferably multinational corporations) and one that contributes to the environmental problem of climate change to such a degree that it will have to change quite dramatically to effect real change. I chose the car industry, and this book is the result. I hope it is helpful. In many ways, it is a piece of unfinished research that raises as many questions as it answers. Maybe this is the case with all research. Hopefully, the findings are intriguing enough for the paths to future study suggested to be taken up by some of its readers.

As is always the case, in doing the research for this book I received help from many people who deserve recognition. I am bound to leave someone out, and I hope they will forgive me if I do. My greatest thanks goes to Jason Sharman, who read many drafts of the chapters in this book and was instrumental in helping me to shape the research and present the results of it. I am also indebted to other members of the Department of Government and International Relations at the University of Sydney, and could easily thank all of them here. It is rare to find such a harmonious, supportive team of people! The following deserve special mention: Linda Weiss, Allan McConnell, Rodney Smith, Betsi Beem, Darryl Jarvis, Diarmuid Maguire, Rod Tiffen, Graeme Gill, Deborah Brennan, Lyn Carson, Ariadne Vromen, Susan Park and Shelly Savage. Also Dick Bryan from the Department of Political Economy.

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Bartholomew of the Victorian Department of Innovation, Industry and Regional Development, whose advice was helpful, and who got me a ticket to the International Automotive Conference in Melbourne in 2005. My good friend Robyn White also deserves thanks for introducing me to her and putting me up while in Melbourne.

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John Mikler
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A Note on Events in the Car Industry as the Book was Going to Press

Any piece of research is dated once published. Even so, the analysis employed in this book suggests that recent developments in the international car industry should not have been unexpected. For example, the prediction that European and Japanese car firms will find it easier than US firms to adjust to future imperatives has been quite dramatically borne out. Similarly, although fully electric cars are not considered, the fact that US firms are currently playing ‘catch up’ with their Japanese counterparts in respect of such vehicles is also not surprising. Therefore, in addition to providing a historical snapshot, hopefully the reader is provided with an analytical framework for understanding ongoing developments.