Playing Defence: Early Responses to Conflict Expansion in the Oil Sands Policy Subsystem

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Abstract
This article examines how powerful policy actors defend themselves against opponents’ strategies of conflict expansion through a case study of the Alberta oil sands subsystem. In response to changes in the key issues surrounding the oil sands subsystem, the provincial government along with industry have pursued a strategy of engaging in several multistakeholder consultations. We argue that in examining subsystem change, it is essential to go beyond an analysis of formal institutional mechanisms to examine policy impact. Thus far, despite a significant pluralisation of consultative mechanisms on the oil sands, there is little or no evidence of a shift in power away from pro-oil sands interests. This strategy of selective opening is designed to bolster the legitimacy of the policy process while maintaining control over decision-making, rules and venues.
Overview

Alberta’s oil sands have become a flashpoint for environmental controversy since about 2005. When the oil sands were first included in official counts of world oil reserves, Canada became the world’s second ranked nation in proven reserves behind Saudi Arabia (Chastko, 2004). In 2008, the oil sands pumped out an average of 1.3 million barrels per day (bpd), and projections are that it will increase to 3 million bpd by 2018 (“Alberta Energy”). While a powerful driver of the economy of Alberta and Canada, oil sands developments also have significant environmental effects, and environmentalists have framed the crude that comes from the oil sands as “the world’s dirtiest oil” in recent campaigns (Nikiforuk, 2008; Clarke, 2008).

Traditionally, the governance structure for the oil sands has been an excellent example of a closed, bipartite policy subsystem where industry has enjoyed a “policy monopoly” (Baumgartner and Jones, 1991, p. 1070). In such cases, the pattern of interest representation is characterized by a close, though not necessarily always cooperative, relationship between government and industry (Chastko, 2004). But as the development of the oil sands has accelerated, the central issues in the domain have shifted from development of the resource to labour shortages, inadequate housing and infrastructure, environmental damage, and climate change, to name a few (Brownsey, 2007).

As the agenda shifted, the oil sands subsystem has come under increasing external pressure from a variety of actors. The energy industry and the government of Alberta have responded by expanding interest representation through the creation several multistakeholder bodies tasked with addressing nearly all dimensions of oil sands development. This article examines these recent consultation mechanisms in an effort to address the question of whether
they reflect a collapse of the policy monopoly, signified by a diffusion of power away from the core actors. In doing so, we explore how dominant actors “play defence” when closed subsystems are threatened by aggressive strategies of conflict expansion. We argue that while these new multistakeholder bodies have increased the number of actors involved in the policymaking process, they have yet to lead to a serious transformation of the oil sands subsystem.

This paper begins by providing an overview of the policy subsystem literature, focusing on the contribution of Baumgartner and Jones. We then examine the creation and impact of three key multistakeholder bodies: the Oil Sands Consultations Multistakeholder Committee (MSC), the Cumulative Environmental Management Association (CEMA), and the Oil Sands Ministerial Strategy Committee (which produced the ‘Radke Report’). We conclude by discussing the implications of the emergence of multistakeholderism for oil sands governance, and reflect on the political risks and opportunities of cooptation as a defensive strategy.

**Policy Subsystems and Change**

One dominant perspective in policy studies conceives of the policy process as operating within partially segmented policy subsystems, issue specific patterns of interaction between policy actors and institutions (Kingdon, 1984; Sabatier, 1988). The most prominent stream of research in this field has emerged through the work of Baumgartner, Jones, and colleagues. Baumgartner and Jones argue that both long periods of stability and short bursts of change in public policy can be explained by a single process: the interaction between policy image and venues of policy action. The policy image refers to how public policies are discussed in public and the media in general while venue refers to the various political institutions within which policy action takes place (Baumgartner and Jones, 1991). In a case similar to that of oil sands,
the authors examine the civilian nuclear policy subsystem in the United States to determine “the process by which policy images find a favourable reception in some institutional venues but not others, and how the interaction between image and venue can lead to the rapid creation, destruction, or alteration of policy subsystems” (Baumgartner and Jones, 1991, p. 1045). While this paper makes reference to the changing image of the oil sands, its focus is on the other key dynamic for subsystem change: venue shifting.

For Baumgartner and Jones, the early U.S. civilian nuclear power subsystem was a classic example of a closed, narrow, subgovernment that enabled a level of monopolistic control over policy that “could not have been more favourable to the development of the industry” (Baumgartner and Jones, 1991, p. 1056). In the nuclear power case, the process of subsystem collapse involved opponents exploiting divisions within the expert community, images in the media changing, opponents obtaining attention from different actors in different venues (e.g. regulators, Congress, and the courts), and finally the response of the market. The authors’ examination of this case sheds light on both the general process of subsystem collapse as well as the types of strategies employed by actors to instigate policy change (Baumgartner and Jones, 1991).

While strongly influenced by Baumgartner and Jones, Pralle (2006) focuses greater attention on actor strategies for conflict expansion and containment through the examination of two forestry conflicts. She identifies three dimensions around which strategies of conflict expansion and containment can occur:

- **Issues** - Raising the importance, visibility or “publicness” of a problem versus decreasing the political significance of the issue;
- **Actors** - Expanding versus containing participation in policy conflicts;
• **Institutions** - Shifting policy issue to a new venue or changing the institutional rules versus preserving existing arrangements (Pralle, 2006).

**Playing Defence**

Actors critical of a narrowly defined subsystem typically try to expand the scope of conflict by introducing new actors and shifting venues to more favourable arenas. Actors within a policy monopoly employ defensive strategies designed to contain conflict by limiting access and controlling jurisdiction. Pralle characterizes a range of defensive strategies, or what she calls “strategies of containment,” in Table 1 below.

**Table 1 - Actor Strategies of Containment**

<table>
<thead>
<tr>
<th>Focal point of strategy</th>
<th>Individual components of strategy</th>
<th>Strategies of containment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue Definition</td>
<td>Framing</td>
<td>Frame problem in narrow terms.</td>
</tr>
<tr>
<td></td>
<td>Linking to other issues</td>
<td>Deny links to other problems; treat problem in isolation.</td>
</tr>
<tr>
<td></td>
<td>Constructing boundaries</td>
<td>Limit boundaries of problem; categorize people out of issue.</td>
</tr>
<tr>
<td></td>
<td>Problem ownership</td>
<td>Limit ownership of problem to original set of policy claimants.</td>
</tr>
<tr>
<td>Actors</td>
<td>Scope of participation</td>
<td>Limit number of participants.</td>
</tr>
<tr>
<td></td>
<td>Characterization contests</td>
<td>Label opponents as subversive, extremists.</td>
</tr>
<tr>
<td></td>
<td>Conflict or appearance of it</td>
<td>Encourage consensus, cooperation, and appearance of it.</td>
</tr>
<tr>
<td>Institutions and venues</td>
<td>Jurisdictions</td>
<td>Maintain clear jurisdictional boundaries.</td>
</tr>
<tr>
<td></td>
<td>Levels of authority</td>
<td>Prevent conflict from moving to higher levels of authority.</td>
</tr>
<tr>
<td></td>
<td>Rules of the game</td>
<td>Support rules that restrict access.</td>
</tr>
</tbody>
</table>

Of particular interest to our study is the third containment strategy pertaining to actors, whereby actors respond to pressures by encouraging consensus, cooperation, and the appearance of it (Pralle, 2006). Ostensibly, consensus and cooperation can create a win-win situation for all actors involved, but cooperative strategies like multistakeholder negotiations can also be employed as a form of cooptation or manipulation.

The idea of cooptation and manipulation is better developed in the sociology literature on corporate strategy. This literature focuses on actions taken by firms in response to “increasing demands from society to address a range of social and environmental problems for which the firms are asserted to have caused, and/or to be responsible for ameliorating” (Cashore et al., 2006, p. 6). The most influential typology in this area has been developed by Oliver (1991), who distinguishes five types of strategies:

- Acquiesce (habit, imitate, comply)
- Compromise (balance, pacify, bargain)
- Avoid (conceal, buffer, escape)
- Defy (dismiss, challenge, attack)
- Manipulate (co-opt, influence, control)

Oliver defines manipulation as “purposeful and opportunistic attempt to co-opt, influence, or control institutional pressures and evaluations” (Oliver, 1991, p. 157). Co-optation, an idea developed some time ago by Selznick (1966), entails bringing in and establishing institutional linkages with outside actors with the intention of neutralizing opposition and enhancing legitimacy (Oliver, 1991). Thus, the creation of multistakeholder bodies could be one component of a broader manipulative strategy seeking to co-opt external actors in order to alleviate external pressures.
In situating this paper within the broader literature, we argue that examining subsystem change requires going beyond an examination of formal institutional mechanisms (e.g. membership on consultative bodies) to address the question of power, defined as the ability to influence policy outcomes. Shifts in power are best measured by changes in policy outcomes. We thus turn to an overview of the oil sands subsystem and an examination of how the subsystem has been altered by the introduction of three multistakeholder bodies in the 2000s. For each multistakeholder body, we examine not only their process and outputs, but also their overall effectiveness in influencing government policy.

**The Oil Sands Subsystem**

Pressure on the oil sand subsystem came through two parallel and interrelated processes: 1) the opening of the oil sands subsystem through the emergence of multistakeholderism and 2) shifts in the dominant issues surrounding oil sands development. Traditionally, the oil sands governance structure represents a clear case of a closed, bipartite policy subsystem historically dominated by two groups of actors: government and industry. Some of the key provincial actors include: Alberta Energy, Alberta Environment, Alberta Sustainable Resource Development, the Energy Resources Conservation Board (previously the Energy and Utilities Board), and more recently the Oil Sands Sustainable Development Secretariat (part of Treasury). The major industrial players in oil sands development include the major oil companies involved in the region, such as Suncor, Syncrude, and Shell Canada Ltd, and Canadian Natural Resources Ltd., as well as key industry groups like the Canadian Association of Petroleum Producers.

From the outset these two groups of actors have worked in concert to promote the development of a resource that for many years was uneconomical. As Chastko (2004) explains:
The active support and co-operation of these two groups - the state and the private sector - spurred scientific research and technological development of the oil sands. Eventually, the public/private partnership enabled the oil sands industry to evolve from a marginal source operating on the periphery to a viable alternative supply. (p. xv)

One manifestation of this close partnership was the 1995 National Oil Sands Task Force on Oil Sands Strategies of the Alberta Chamber of Resources (or Task Force), the mission of which was “to be a catalyst for further development of Canada’s oil sands through identification of a clear vision for growth and preparation of a plan of action...” (National Task Force, 1995, p. 2).

The membership of the Task Force is a clear indicator of the close government-industry alliance that characterizes the oil sands subsystem. The Task Force was comprised of a Chair and six subcommittees which had 50 members, eight of whom came from government (five federal and three provincial) and the remainder from industry. There were no representatives of environmental, Aboriginal, or community groups.

Through the Task Force, government and industry worked together to promote project expansion in the oil sands by focusing on three key areas: the regulatory environment, technological developments, and the search for markets (Chastko, 2004). Perhaps the most important result of the Task Force was the adoption of a new oil sands generic royalty regime announced by the Conservative government in 1995 (Urquhart, 2008). In combination with rising world oil prices and new technologies, the new royalty regime acted as a catalyst for a major expansion in oil sands development.

This policy monopoly ushered in an era of explosive oil sands development: existing and new project applications increased, vast sums of investment poured in, and all the while the closed government-industry governance structure continued to dominate. For example, 1997 marked a significant increase in applications for new and expanded projects (Spaling et al., 2000), an indicator of increased development in the near future. In terms of investment, a 2004
Alberta EUB report noted that approximately $65 billion (Cdn) of investment had been announced for the oil sands since 1996. Production was expected to triple between 2004 and 2011 and remarkably, the goal of producing more than a million barrels of oil per day from the oil sands by 2020 was surpassed in 2004 (EUB, 2004; Woynillowicz, Severson-Baker, and Raynolds, 2005). In short, the oil sands have been experiencing a “runaway pace of development” (Woynillowicz, 2007). While the recession of 2008-09 led to a pause in new investment, oil sands investment activity has accelerated again as the economy improved and oil prices have moved back up.

Beginning around 2005, the major concerns around oil sands development began to shift from industrial expansion to environmental and social issues (Brownsey, 2007). One indicator of the increasing attention being focused on the oil sands in general and its environmental implications in particular is the number of publications focusing on oil sands from a leading Alberta-based environmental group, the Pembina Institute, shown in Table 2.

**Table 2 - Number of Pembina Publications* on ‘Oil Sands’, 2005-2008**

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008 (Jan-July)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEBNINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INSTITUTE</td>
<td>5</td>
<td>21</td>
<td>35</td>
<td>13</td>
<td>74</td>
</tr>
</tbody>
</table>


One of the first major reports to draw attention to the serious impacts of oil sands development on the environment was Pembina’s 2005 report *Oil Sands Fever: The Environmental Implications of Canada’s Oil Sands Rush*. Since 2005, a wide range of environmental and social concerns over oil sands development have intensified, including: GHG emissions from oil sands projects (and implications for Canada’s Kyoto commitments), water usage, destruction of the Boreal forest, pressures on wildlife, negative impacts on Aboriginal communities, housing
shortages and rising costs in Ft. McMurray and across the province, to name a few. In 2007, Greenpeace opened an Edmonton office to focus on the oil sands, and by the end of 2008, three popular, journalistic books with alarming titles that focused on the oil sands were published (Marsden, 2007; Clarke, 2008; Nikiforuk, 2008).

**The Rise of Multistakeholderism in the Oil Sands**

In response to the changing values and concerns of Albertans and Canadians in general, the government and industry initiated a series of multistakeholder consultations designed to address the various dimensions of oil sands development. Multistakeholderism has arisen to perform several distinct functions in oil sands governance. One function is to engage the public in long-term development plans of the oil sands, which occurred through the MSC. This process constituted a one-time broad public consultation by government whereby a final report containing recommendations was produced and submitted to government for consideration.

Another function of multistakeholderism has been to address the ongoing cumulative environmental impacts of oil sands developments in certain regions. This function has been performed by CEMA, a multi-stakeholder organization with more than 40 members encompassing a variety of actors. Unlike the first two processes that were clearly the direct initiative of the government, CEMA was actually initiated by the industry with support from the government and other stakeholders.

Third, the government directed a small team headed by former Deputy Minister Doug Radke to develop a coordinated short-term action plan to address the social, environmental and economic impacts of oil sands development in local communities. This team produced a final report with recommendations for the government (the Radke Report). These three multistakeholder groups are summarized in Table 3.
Table 3 - Key Oil Sands Multistakeholder Organizations

<table>
<thead>
<tr>
<th>Multistakeholder Group/Organization</th>
<th>Purpose/Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil Sands Consultations Multistakeholder Committee (MSC)</td>
<td>Formed in 2006 to lead a public consultation on the long-term development of Alberta’s oil sands.</td>
</tr>
<tr>
<td>Cumulative Environmental Management Association (CEMA)</td>
<td>Addresses cumulative effects of regional development in northern Alberta.</td>
</tr>
<tr>
<td>Oil Sands Ministerial Strategy Committee (Radke Report)</td>
<td>Had a tactical perspective looking at short-term plans and potential actions for the government.</td>
</tr>
</tbody>
</table>

MSC

Origins

In 2005, the Government of Alberta began a consultation process on a proposed Mineable Oil Sands Strategy (MOSS)\textsuperscript{vi} to clarify and update policies that guide and regulate oil sands development (MSC, 2007). Concerns about the consultation process for this strategy led to the formation of the Oil Sands Consultation Advisory Group (CAG). The CAG performed a review designed to recommend a public consultation process for the issues related to oil sands development. The Alberta Government accepted the recommendations contained in the Final Report of the Consultation Advisory Group, which was submitted to the Ministers of Energy, Environment, and Sustainable Resource Development on March 31, 2006 (MSC, 2006). The report included a recommendation to form a multistakeholder committee that would adhere to a consultation process outlined by the CAG. In accordance with this, the MSC was formed in 2006 as a mechanism for consulting with Albertans on oil sands development (MSC, 2007).

Mandate/Purpose

At the broadest level, the purpose of the MSC was: 1) to develop plans for consulting on the policy principles for Alberta’s oil sands area in relation to oil sands development and
environmental management and 2) to work with CEMA and other stakeholders to review and recommend how consultation on the management principles for the oil sands area should proceed (Government of Alberta, 2005).

**Process**

MSC consultations are divided into two phases, both of which have now been completed. Phase I consisted of “an initial public consultation where feedback was used by the MSC to develop recommendations for a vision for oil sands development and principles to assist in guiding future policy directions” (Government of Alberta, 2006c). Phase I, which commenced and concluded in 2006, included a series of public meetings conducted by a representative panel composed of members of the MSC. The meetings were held over ten days in seven different locations in Alberta and 168 oral submissions were made to the panel at these meetings from a variety of stakeholders (MSC, 2006). In total, the MSC received 298 submissions pertaining to a range of issues, including: planning and development, the environment, climate change, infrastructure needs, pace of development, reclamation, First Nations and Métis, and appropriate benefits for Alberta and the rest of Canada (MSC, 2006). Phase I also included a ‘Vision Summit’, where the views of a representative cross section of acknowledged oil sands opinion leaders were solicited concerning a vision and principles for oil sands development (MSC, 2006).

Phase II established a framework for oil sands development that combined the previously established vision and principles with specific strategies and action plans. The panel held a second round of public consultation meetings, the objective of which was to gain input concerning the two key documents produced in Phase I: the *Mystakeholder Committee Interim Report* and the *Proposed Options for Strategies and Actions* document. In addition to open
public meetings, Phase II also included an Oil Sands Community Summit and a Provincial Summit (MSC, 2007), similar in purpose to the Vision Summit held in Phase I. Based on these meetings and summits, the MSC produced a final report which was submitted to the Ministers of Energy, Environment, and Sustainable Resource Development.\textsuperscript{vii}

Membership

Membership in the MSC was diverse. The province of Alberta was represented by the three major departments with jurisdiction: Energy, Environment, and Sustainable Resource Development. Three area local governments were represented. The Government of Canada was represented by Natural Resources Canada and Environment Canada. Industry had three members, one each from the Canadian Association of Petroleum Producers, Canadian Natural Resources Ltd, and Petro-Canada. Three environmental groups and four Aboriginal groups were also represented.\textsuperscript{viii}

Recommendations

All of the recommendations made by the MSC are contained in its final report, which was submitted to the government on June 30, 2007 and released to the public on July 25 of the same year. The report detailed 120 recommendations (of which consensus was reached on 96) for actions relating to all major aspects of oil sands development. Table 4 provides a sample of recommendations that achieved consensus, and those that did not. It reveals a clear pattern: recommendations expressing a commitment to planning and evaluation were accepted by all, but those that contained regulatory limits were not. For example, a recommendation to perform cumulative effects impact assessments was adopted, but a recommendation to establish limits on impacts on land was not.
Table 4 - Summary of Key Visions, Actions, and Strategies of MSC Final Report

**Vision #3 - Ensures a healthy environment** (11 strategies - most actions achieved consensus)

<table>
<thead>
<tr>
<th>Actions achieving consensus</th>
<th>Actions not achieving consensus</th>
</tr>
</thead>
<tbody>
<tr>
<td>V3. S2. Action 2.1 - evaluate the use of cap and trade system for air emissions in the oil sands regions.</td>
<td>V3. S5. Action 5.4 - Set GHG targets that will cap emissions for oil sands industry and lead to reductions consistent with Canada’s international obligations.</td>
</tr>
<tr>
<td>V3. S3. Action 3.5 - conduct regional cumulative environmental impact assessments of oil sands development for current and planned developments, with one component to consider being the assessment of the value of ecosystem goods and services.</td>
<td>V3. S7. Action 7.3 - establish a limit on the cumulative amount of land that can be disturbed at any one time in each of the oil sands areas.</td>
</tr>
<tr>
<td>V9. S2. Action 2 - review and update the role and relationship of government with CEMA, and government’s expectations of CEMA, to ensure more timely outputs and decisions are achieved</td>
<td>V9. S1. Action 1.12 - declare a moratorium on new oil sands development (no new leases, no new approvals) until environmental limits have been identified and infrastructure and labour concerns have been addressed.</td>
</tr>
</tbody>
</table>


The report provides details on which groups did not support the non-consensus recommendation, and provide compelling evidence of shared interests between the industry and the provincial government. When considering all 120 recommendations, the provincial government and industry voted together 97 percent of the time. Of the 24 non-consensus recommendations, the provincial government and industry voted together in all but four of them.
In the multistakeholder format, this “circling of the wagons” bolstered the oil sands subsystem against its critics.

**Effectiveness**

The Alberta government’s formal response to the MSC report took the form of the major document released in February 2009 entitled *Responsible Actions: A Plan for Alberta’s Oil Sands* billed as a 20-year strategic plan (Government of Alberta 2009). The *Responsible Actions* document, however, contains no new substantial policy direction. For example, regarding air pollution, the new Alberta strategy merely promises to “meet or exceed Alberta’s greenhouse gas reduction objectives.” Not only is this initiative not new, but it is demonstrably inadequate to the task given that it is based on “intensity targets” that allow emissions to grow along with oil sands production. On water quantity and quality, the new plan commits to no specific new actions, and simply reiterates commitments to develop a more comprehensive and effective framework. On land use issues, the plan promises to use the province’s ongoing process to develop a “Land-Use Framework” to address cumulative effects, and to “strengthen organizations to collaboratively manage and monitor environmental performance.” As the next section will demonstrate, this commitment rings hollow given the obstacles confronted by a multistakeholder body designed to address these issues more specifically.

**Cumulative Environmental Management Association (CEMA)**

**Origins**

CEMA was actually initiated prior to the significant conflict expansion in the oil sands subsystem of the mid 2000s. It was established in June 2000 as a voluntary partnership of stakeholder groups that incorporated as a not-for-profit association (Spaling et al., 2000). CEMA grew out of the Alberta Government’s Regional Sustainable Development Strategy (RSDS) for
the Athabasca Oil Sands Area (see Government of Alberta, 1999a). The “diversity of environmental values and interest in the region prompted the need for a multi-stakeholder forum to establish environmental management objective[s] for the region” (“CEMA - Home”). CEMA was originally formed in partnership with Alberta Environment and Alberta Sustainable Resources Development to address 37 of the 72 key issues identified in the RSDS document (1999a). Both CEMA and the RSDS “emerged as the twin pillars of Alberta’s approach to managing cumulative effects in the oil sands region” (Kennett, 2007, p. 10). Finally, both coincided with the Alberta Government’s broader policy on integrated land and resource management, as indicated in the policy statement *Alberta’s Commitment to Sustainable Resource and Environmental Management* (1999b).

Impetus for CEMA came from the announcement of multiple new and expanded projects in the oil sands in 1997, which highlighted the need to manage cumulative effects on a regional scale. The main industry actors involved in establishing CEMA included the major firms involved in emerging oil sands projects, such as Shell Canada Ltd., Suncor, Syncrude, and Petro-Canada (Spaling et al., 2000). Environmental and aboriginal groups also participated, and federal and provincial agencies were supportive. These key stakeholders took a proactive stance in recognizing that a project-by-project approach to environmental regulation would be undesirable given the recent upsurge in the number of project applications (Kennett, 2007).

*Mandate and Membership*

CEMA’s original mandate was “to provide recommendations to regulators on how to best manage impacts resulting from direct and indirect industrial development within the region” (CEMA, 2007). The purpose of CEMA is to “provide a forum for its stakeholders to discuss
and make consensus-based decisions, forming the basis for action by members, and recommendations to Alberta Environment’s Regional Sustainable Development (RSDS), as appropriate, on managing the region’s cumulative environmental effects” (“CEMA - Home”).

CEMA is composed of about 40 members representing all levels of government, industry, regulatory bodies, environmental groups, and Aboriginal groups (“CEMA - Home”).

**Process**

Unlike the MSC, which produced a one-time final report, CEMA was designed to be a standing body for research and recommendations. CEMA primarily produces recommendations that are based on “scientifically founded limits and use information from existing research as well as traditional environmental knowledge provided by CEMA’s Aboriginal members” (CEMA, 2007, p. 4). Recommendations are then referred to the appropriate regulatory agency, the key ones being Alberta Environment and Alberta Sustainable Resource Development, for approval and implementation. CEMA also produces various interim products such as reports, databases, and models; these are developed to inform management systems.

**Recommendations**

CEMA’s recommendations come in the form of the various documents and management frameworks it provides to the regulatory agencies. Since its inception, CEMA has produced hundreds of reports and ten management frameworks.

**Effectiveness**

For the most part, the policy actions taken by the government based on CEMA reductions have not significantly advanced regulatory policy. For example, neither the Ozone Management Framework nor the Trace Metals Management Framework develop and apply new regulations, rather, they simply clarify that existing provincial rules apply to the oil sands. Kennett (2007)
provides the most comprehensive examination of the track-record and overall effectiveness of CEMA. He notes that assessment and approval authorities consistently criticized the performance of CEMA for its failure to deliver results on schedule and its inability to keep pace with development in the region (Kennett, 2007, p. 25). Despite often harsh criticisms for the absence of a cumulative effects framework, however, the regulatory bodies continued to approve oil sands projects.

CEMA’s ineffectiveness in part stems from its status as a voluntary and non-governmental partnership, which provides “no mechanism for implementing and enforcing its decisions or recommendations regarding cumulative effects management” (Kennett, 2007, p. 14). As is the case with the MSC, formal decision-making authority rests with the various departments and regulatory bodies. In addition, since the release of the RSDS document in 1999, there has been little or no progress within government to build the legal, policy, and institutional framework for managing cumulative effects in relation to the pace of oil sands development (Kennett, 2007). As a result, “progress by CEMA has been slow, with few thresholds established, while major oil sands projects have been approved in the interim...” (Chiasson, 2007a, p. 3). It is feasible that the proposed Land-Use Framework could produce progress in this area, but as of April 2010 no results of that process have been produced. A progress report on the Government’s 2009 Responsible Actions plan merely reiterates that “work is underway” (Government of Alberta 2010, p. 2)

Conflict over the lack of results from CEMA came to a head in 2008 as a result of recommendations from the Sustainable Ecosystems Working Group of CEMA, charged with recommending measures for protecting habitat in the region. Concerned about the rapid pace of new leases being issued, in February 2008 the Working Group called for a partial moratorium on
the issuance of new leases until it was able to complete its work. The province refused the request, and directed SEWG to complete its report. SEWG issued its plan in June 2008, calling for protection of up to 40% of the region, and limiting intensive industrial development to 5-14% of the area. The plan was not able to get consensus from all members – several oil sands companies opposed it – but it did garner support from a variety of groups including major oil sands companies.

Rather than adopting the recommendation, the government of Alberta stated that it was launching a new land use planning process, the previously mentioned Land-Use Framework. Frustrated with what they viewed as manipulation by the government, three environmental groups resigned from CEMA in August 2008, including the Pembina Institute. They denounced the government’s approach as “talk and drill” and stated that CEMA “has lost all legitimacy” (Pembina Institute, 2008).

Oil Sands Ministerial Strategy Committee (Radke Report)

Origins

The rapid pace of oil sands development has been a major driver of economic growth in Alberta while simultaneously putting pressure on other areas such as: infrastructure, housing, transportation, the labour force, and the environment. In accordance, Cabinet directed the Oil Sands Ministerial Strategy Committee (headed by former Deputy Minister Doug Radke) to develop a “coordinated short-term action plan to address the social, environmental, and economic impacts of oil sands development in local communities” (Radke, 2006, p. 16). In February 2007, the Alberta government released the final report of the Oil Sands Ministerial Strategy Committee entitled Investing in Our Future: Responding to the Rapid Growth of Oil Sands Development (the “Radke Report”) (2006).
Mandate/Purpose

The stated purpose of the coordinated short-term action plan was to “address the current challenges resulting from the rapid pace of oil sands development, and to anticipate the impacts of continuing growth” (Radke, 2006, p. 4). The report makes no comment on the pace of oil sands development, but focuses instead on identifying what services and infrastructure would be required regardless of the pace. The four objectives of the report are:

1) A realistic growth forecast for the next three to five years for the oil sands in consultation with government departments and industry
2) An assessment of current and anticipated gaps in core government services resulting from pressures related to oil sands development
3) Recommendations on a coordinated plan to remedy the gaps
4) A summary of short-term policy issues that require government resolution in order to more effectively manage growth and development, as well as options for action (Radke, 2006, p. 16)

Process

In order to achieve the above stated objectives, a small team was formed under the direction of the Chair of the Ministerial Strategy Committee. The team reviewed and analyzed existing reports and plans and consulted a range of experts and stakeholders from government departments, industry, municipalities, Aboriginal representatives, and NGOs. Beyond consultations, the team also contracted with the Canadian Energy Research Institute (CERI) in order to assess the impact of oil sands development on the Alberta economy, the Canadian economy, and (to the extent possible) the economies of the three oil sands regions (Radke, 2006).

Recommendations

The Radke Report contained 30 recommendations divided into five categories:

1) Over-arching recommendations focused primarily on the need for better planning, distinct approaches for high growth areas, and addressing environmental concerns
2) Addressing gaps in the Regional Municipality of Wood Buffalo/Fort McMurray region
3) Addressing gaps in Cold Lake – Bonnyville and Peace River regions
4) Addressing the urgent need to plan for developments in the Industrial Heartland
5) Taking the next steps (Radke, 2006, p. 130)
The first and most prominent recommendation was the following: “The Alberta Government should place a high priority on the development of infrastructure necessary to support continued growth and development of the province’s oil sands resource.” There were several very general environmentally-oriented recommendations, but the focus of the report was on infrastructure to facilitate the growth of the oil sands.

**Effectiveness**

In contrast to the MSC and CEMA ecosystem reports, the Government of Alberta responded immediately to the Radke report, announcing implementation measures and funding at the same time the report was released. The Stelmach government pledged $396 million over three years for health care, water treatment, and affordable housing in response to the report (Markusoff, 2007). While $8 million was allocated to increased staffing at government agencies dealing with environmental aspects of the oil sands, virtually all of the funding was dedicated to providing physical and social infrastructure to facilitate the expansion of the oil sands in the Fort McMurray region.

**SECTION III: Conclusion and Implications**

The traditional industry-government oil sands subsystem opened up to an expanded set of issues and actors in the 2000s, especially beginning in 2005. Critics of the oil sands have definitely succeeded in expanding the conflict. They attacked the image of the oil sands with such counterframes as “tar sands” and “dirty oil.” The focus of this article has been on the other driver of subsystem change: new actors and venues. While we have witnessed the emergence of multistakeholderism through new consultative bodies and processes, there is no evidence to suggest that power has diffused away from the core actors. Thus far, the defensive strategies of
the industry and the provincial government have been effective at maintaining control over the policy venue.

In the case of the oil sands, the defensive strategy has focused on selective opening designed to bolster the legitimacy of the policy process, while maintaining control over decision rules and venues. In all three examples the storyline is much the same: participation in consultative bodies was expanded to incorporate new actors, but without significant change in the location of authority or the distribution of power. The multistakeholder consultations were established simply to recommend actions to the provincial cabinet, where authority has effectively remained.

While multistakeholderism has definitely increased in the oil sands subsystem, relatively little policy change has occurred thus far. Throughout the 2000s, there was little deviation from the pro-development policies being driven by the provincial government and industry. The pattern of responses by the Government of Alberta to the three consultation processes is quite revealing of the underlying distribution of power over oil sands policy. Recommendations facilitating industrial expansion from the Radke report were quickly adopted. Recommendations posing challenges to the dominant industry-government power nexus have not been acted upon. In the case of the MSC, consensus voting rules were used to block changes. Even in cases where there was cross-sectoral support – the CEMA land-use recommendations – the government failed to act on the recommended policy change. The emerging pattern seems to be not consultation for regulation, but consultation instead of regulation; what might be dubbed a strategy of “talk and dig.”

This defensive strategy is a form of cooptation through consensus (Pralle, 2006), whereby opposition actors are neutralized or won over by assimilating them into the established power
structure. Thus far, this strategy has been successful. But is it sustainable? It is important to recognize that the most well-developed treatment of cooptation as a political strategy – Selznick’s classic *TVA and the Grassroots* – is based on a different interpretation of cooptation than the current conventional meaning. Selznick’s concept was based on a political dynamic whereby opposition groups were brought in the dominant power structure, but in order to do so, the official goals of the organization had to be altered – what he termed “goal displacement” (Selznick, 1966). Mollifying opponents can risk providing legitimacy to their point of view and, as a result, lead to a shift in power and policy change. In the oil sands case, the Government of Alberta has formally acknowledged the legitimacy of environmental critics by giving them a formal voice in the consultation processes. Now that environmentalists have denounced those processes and withdrawn, the government’s strategy has lost its legitimacy.
Reference List


---. (2007b, April 23). *Submissions to the Oil Sands Panel on Phase II proposed options for strategies and actions for oil sands development in Alberta*. Edmonton: Environmental Law Centre


For a more critical analysis of the role and nature of multistakeholder negotiations see Edmunds and Wollenberg (2001).

The focus of this article is on the provincial government as the landlord of the resource, though there are important areas of overlap with federal jurisdiction in oil sands governance (e.g. inter-provincial/international trade, taxation, etc.) and certain federal departments (e.g. NRCan, DFO, etc.) have played active role in the oil sands subsystem.

Alberta Energy manages the development of the province’s non-renewable resources, grants industry the right to explore for and develop the resources, and administers the fiscal and royalty systems (“Alberta Energy - Homepage”). Alberta Environment has a mission to “manage the use of its diverse landscapes to sustain a healthy environment, a prosperous economy and strong communities” (“Alberta Environment - Homepage”). Alberta Sustainable Resource Development “encourages balanced and responsible use of Alberta’s natural resources through the application of leading practices in management, science, and stewardship” (“Alberta SRD - Homepage”). The Alberta Energy Resources Conservation Board is an independent, quasi-judicial agency of the Government of Alberta which regulates “the safe, responsible, and efficient development of Alberta’s energy resources…” (“ERCB - Homepage”). The Oil Sands Sustainable Development Secretariat was created by the government in 2007 to address rapid growth issues in the oil sands regions of Alberta (“Alberta OSSDS - Homepage”).

MOSS was developed for public consultation on long-term objectives for government and industry to manage and coordinate oil sands mining and its environmental impacts within the mineable development zone. It is a cross-ministry initiative that sets clear, long-term objectives for government and industry to manage and coordinate oil sands mining and its environmental impacts within the mineable development zone (Government of Alberta, 2006a). MOSS focuses on the mining infrastructure within a specific development zone only (see Appendix A) and does not apply to oil sands development in the Municipality of Wood Buffalo more broadly (Government of Alberta, 2006a).

The Government of Alberta also undertook a separate process of consultation with First Nations and Métis to gather feedback on the potential impacts of oil sands developments on Aboriginal rights and traditional uses of land (ACIC, 2007). The process ran in parallel to the MSC public consultations and represents another example of public consultation through a multistakeholder body by the Government of Alberta.

The environmental organizations were the Sierra Club of Canada, Pembina Institute, and the Prairie Acid Rain Coalition. The Aboriginal organizations were the Fort McKay First Nations, Athabasca Chipewyan First Nation, Tallcree Tribal Government, and Métis Nation of Alberta.

In May 2010 CEMA members approved a new mission statement: “CEMA is a multi-stakeholder society that is a key advisor to the provincial and federal governments committed to respectful, inclusive dialogue to make recommendations to manage the cumulative environmental impacts or regional development on air


For a complete list of consulted groups see Radke (2006).