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Markell looks to 'green is gold' future

Choice of DNREC chief to be key to Del. growth

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Gov. Jack Markell plans an unprecedented policy shift with his final Cabinet choice, a secretary who Markell said will blend administration goals for both the economy and the environment.

Markell said his new Department of Natural Resources and Environmental Control chief will spearhead a "green is gold" strategy that aims to make Delaware a national leader in emerging clean energy and sustainable industry markets.

In a recent interview, Markell said he wants the next DNREC secretary to become a linchpin of the state's economic development strategy and efforts to counter declines in financial and manufacturing employment. The new governor already has taken a personal role in a nationwide search for his last remaining Cabinet vacancy.

Recruiting has focused on those best able to merge traditional agency duties with an administration drive to attract and support "green" businesses -- those that will grow and potentially lead a nationwide shift toward renewable energy sources and industries that consume fewer natural resources.

"It's less about somebody who's going to be out marketing Delaware from an economic-development standpoint," Markell said. "It's more about somebody who understands that there are opportunities in a clean environment for a better economy. I think it's somebody who understands the intersection of those."

Besides the challenge of finding the right person, Markell must show how his vision is more than a "me, too" hope that Delaware can get a jump on larger, richer states, many with some of the most distinguished universities in the world.

"Some of the people I've talked to around the country have said that, for this whole idea to really take root, a state -- ideally an eastern state -- is going to have to take a leading role," Markell said. "California has been paying attention to this stuff for 30 years, but there haven't been a whole lot who followed suit."

There are skeptics, including some who say that the same problems that now hamper Delaware's economy will complicate efforts to attract green industries.

"In the long run, you have to have an education system that will sustain the human capital you need for high-tech industries," said John Stapleford, a Moody's Economy.com analyst and Delaware resident who has long criticized Delaware's public education policies.

"It drives me bonkers -- this political, in-the-media approach to economic development," Stapleford said when asked about the administration's proposals.

Markell said his search for a DNREC chief continues policies he outlined in August, before the

statewide primary, when his campaign released a "Climate Prosperity Strategy" that he said would take the economy in a new direction.

For Delaware, "climate prosperity" priorities include aggressive conservation investments and pledges to help state businesses become key links in national green-industry supply chains. The scheme also focuses on helping new or fledgling green industries already here, including those connected with offshore wind power, solar energy, electric vehicles, wave energy and biofuels.

"I think what Gov. Markell is doing is ahead of the curve for now. If he can really move this thing forward in the next couple of years, it will put Delaware firmly in a 'first mover' position," said Marc A. Weiss, a Rehoboth Beach resident and an adviser to Markell's campaign who once served as one of President Clinton's urban planning advisers.

Weiss, who now directs international groups focused on urban development and climate change problems, said Markell would send a powerful message by having the new DNREC secretary "be a point person on moving the state toward a more dynamic, thriving, green economy."

Many seek green economy

While Markell and Weiss are hoping to kick-start a green-economy march, all signs point to a nationwide stampede. President Barack Obama is carving out a large share of the proposed economic stimulus package for clean energy and green-industry development.

Governors around the country quickly spotted the signal.

Late last month, New Mexico Gov. Bill Richardson announced formation of a "Green Jobs Cabinet" to develop an aggressive clean energy strategy, " ... so our state attracts clean technology companies and educates, trains, and prepares the clean energy work force of the future."

A few days earlier, Virginia Gov. Timothy M. Kaine released a package of green-jobs bills to help that state's faltering economy, saying it was "one way we can create opportunity from our current economic challenges." Florida recently formed a state Energy and Climate Change Commission in part to support green-economy initiatives. Similar work is under way from New Jersey to Idaho.

Meanwhile, Maryland opened what it touted as "the region's first clean energy center" on Jan. 9, a not-for-profit, quasi-governmental agency formed to promote "clean energy economic development and jobs in the state."

"I think a lot of governors have the same gleam in their eye," Markell acknowledged. "I think we've got an advantage, in the sense that, first of all, the very nature of Delaware is that we're able to move quickly."

R. Steven Brown, executive director of the Environmental Council of the States, said Delaware may be able to gain an advantage if it can really mobilize its resources quickly. Even with all the executive branch attention, he said, the nation's chief environmental officers haven't yet pushed the issue to the top of their agendas.

"I can't say that I've seen a really heavy emphasis on that at our ECOS meetings so far," Brown said. "Clearly, it is on people's minds, but we haven't had any member say that we need to explore the relation between traditional environmental functions and this new desire to incorporate green energy."

John B. Byrne, who directs the Center for Energy and Environmental Policy at the University of Delaware, cautioned that green-job initiatives will take time even for the most nimble state. The first major benefits, he said, will be economic gains associated with conservation programs,

including energy-saving weatherization projects.

Delaware's new Sustainable Energy Utility, developed with the university's active support, is now gearing up to make big investments in weatherization, energy efficiency and small-scale renewable-energy projects. Lawmakers approved the program under efforts supported by Markell.

"With most economic development strategies, there can't be a state strategy as much as a state strategy in concert with the regional economy," Byrne said. "If the green economy is going to work, it has to be plugged into the regional economy."

Delaware already has a big start, Markell said. Some of the state's top industries, including the DuPont Co., W.L. Gore & Associates and General Electric, have substantial green ventures, ranging from biofuels to fuel cells to solar panels.

The state's universities have multi-faceted alternative-energy programs, including wind, wave and electric-vehicle studies. Delaware Technical & Community College already has pledged efforts to help train the required work force.

Joseph J. Seneca, a professor at Rutgers University's Edward J. Bloustein School of Planning and Public Policy, said energy markets need to change drastically, so fossil-fuel prices support a major shift to alternative energy, such as wind.

"I think it's appropriate, it makes sense for America and it can have economic benefits, but the question is whether it has to be supported by a continual public subsidy," Seneca said. He said stiff "carbon taxes" might be needed to make the use of wind power and solar power grow steadily.

"The key issue is whether it will induce significant private investment over time, to keep it going," Seneca said.

Developing the profile

Markell said he looked far afield and very close to home in seeking advice about the state's next environmental chief, consulting with New York Times columnist Thomas L. Friedman and former DuPont Co. chief executive officer Chad Holliday.

Markell also reached out to his brother, a former EPA prosecutor, for advice.

"My brother has been helping with this. He's helped network for me -- he has a lot of experience," Markell said.

David L. Markell once served on an environmental-law advisory group to the sustainable development arm of the Organization of American States. He currently is on leave from Florida State University while teaching at the University of Virginia. He served for a time as a deputy environmental chief in New York and has written extensively on environmental enforcement issues.

Just as influential was Friedman, the New York Times foreign-affairs columnist who wrote the recent best-seller "Hot, Flat, and Crowded: Why We Need a Green Revolution -- And How it Can Renew America."

"I read the book over the holidays and sent him an e-mail on New Year's Day," Markell said. "It gave me some food for thought about the nature of this opportunity, and I asked him for some suggestions."

But Markell tries to keep his enthusiasm within bounds.

"Oftentimes, people say this is going to be the next big thing. I think you have to be a little bit cautious, but I think, in this case, there's a lot going on and I want us to think through what the opportunity means for Delaware."

The state's last big marriage of environment and economic policy came in 1971, Markell said, when Gov. Russ Peterson pushed through the Coastal Zone Act.

"I'm looking for somebody who threads the needle a bit, between a few different areas, and that's tough to find," Markell said. "This is one agency where, I think, if we found somebody from out of state who had the right skills, that would be fine with me."

"I'm looking for somebody who understands this climate piece, who cares about it, who values a clean environment, who thinks of themselves as an environmentalist but who also understands, as Russ Peterson did, that a clean environment can lead to strong economic development, that the two are not always in conflict."

A conflict of roles?

Former DNREC secretary Edwin H. "Toby" Clark, recruited from California by Gov. Mike Castle during the late 1980s, said that past Delaware environmental chiefs already have played some of the roles Markell envisions for his own DNREC chief.

"Back when I was secretary, we were trying to promote businesses that were green, so that's not an unusual role, or it doesn't need to be," Clark said. "I think it makes good sense. It requires a different background and experience and focus from your traditional regulation."

There are pitfalls, Clark added. DNREC's secretary needs to recognize, disclose and respond to any potential conflicts among his different duties, and needs to quickly spot differences between potential miracle cures and snake oil.

"That's where it does get a little tricky, because there are times where what appear to be green industries end up being not desirable at all, and you can't give them special protection. They've got to meet the same standard that other industries do," Clark said.

"I think it's less about green as an industry and more about the fact that green is where the economy is going," Markell said. "There's a lot going on. It's unlikely that any of us will predict what sector is going to be the one to prosper. What we have to do is create an economic climate where entrepreneurs and workers alike can thrive across a range of industries."

Kenneth T. Kristl, an attorney and professor who directs the Mid-Atlantic Environmental Law Center at Widener University, said Markell's plan has risks, especially for an agency that already has a thinly stretched budget and staff. Politicians and budget-watchers often have suggested breaking up, rather than expanding, the secretary's duties.

"There are two sort of distinct aspects of the DNREC job: managing a lot of state environmental resources and running the permitting and enforcement arm," Kristl said. "This sounds like it would be aspect number three. Will a secretary who takes on that challenge have adequate resources?"

John A. Hughes, who retired from DNREC last month, actively championed proposals to develop an offshore wind farm in the Atlantic Ocean east of Rehoboth Beach, despite questions about environmental impact.

"There is a balancing act that automatically comes with the job, whether you like it or not," Brown, the ECOS director, said. "You have to consider it. Our members have to implement environmental laws as they're written, at the same time in a manner that doesn't adversely affect the state's economy."

The University of Delaware's Byrne said the balancing might be too complicated.

Although Delaware's Energy Office now operates as a part of DNREC, Byrne said, Markell might want to consider moving the energy program into the agency's planning or development office.

"I think that DNREC has primarily a regulatory responsibility, and it's a very important one," Byrne said. But a regulatory culture may not always create for you the kind of opportunities or approach that's needed to develop a green economy."

Markell said he wants DNREC's top officer to have a broader view.

"When we talk about the climate prosperity strategy, it's very much a DNREC issue," Markell said. "I think we've got to look at this not solely agency by agency. You have to take a broader view, and I do think having a leader at DNREC who understands those issues could be helpful."

"It's somebody who's really going to be focused on creating a climate where a greener economy is going to work to the benefit of our environment, the benefit of our health and the benefit of our jobs," Markell said.
