

on efficiency and alternatives to fossil fuels, it is no contest. Acid rain and global warming win hands down."

The argument that economic soundness and market forces should be a guiding principle of environmental policy action raised the more fundamental and contentious question of whether subsidies should be a policy instrument at all and, if so, what activities should be subsidized. Mr. MacNeill reflected a view shared by a number of delegates when he argued that subsidies encouraging ecologically damaging production processes, such as the OECD agricultural subsidies which reinforce the overuse of soils, wood, as well as other resources and ecological capital, should be either scrapped or made ecologically sensitive. Another facet of the argument was presented by Flavin, who argued both that the levelling of the playing field would require that the current subsidization of ecologically unsound production be stopped and that limited subsidies be made available to ecologically sound production and technologies. The third facet of the argument was that a subsidy is a subsidy and therefore levelling the playing field would require that all subsidies be stopped. The debate, though animated, was inconclusive.

Peter Gleick of the Pacific Institute focussed the concern of the conference on the relationship between climate change and international conflict. He pointed out that while the impacts of climate change will be fairly evenly distributed among nations, the ability to respond and adapt differs between the rich and poor countries. This disparity is already causing some tension between North and South and may become a principal source of conflict in the years to come. More generally, where international tensions already exist, the impact of climate change on resource availability and quality may trigger conflicts. For example, the 1967 war in the Middle East was caused partly by the question of access to the Jordan River. The dynamic is also evident in Central America, the Horn of Africa, South Asia, and elsewhere.