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CARBONOMICS: THE DIFFUSION OF GLOBAL CLIMATE POLICY FROM THE LENS OF NEO-INSTITUTIONAL THEORY

Dina Wahyuni

Department of Accounting, University of Jember, East Java, Indonesia; and
Centre for Accounting, Governance and Sustainability, University of South Australia (UniSA)
dina.wahyuni@mymail.unisa.edu.au

David K. Round

Centre for Regulation and Market Analysis (CRMA), School of Commerce, UniSA

Janek Ratnatunga

Australian Centre for Asian Business (ACAB), School of Commerce, UniSA

ABSTRACT

This study contributes to understandings of the construction of the carbon economy (termed carbonomics) and its effects on the evolution of the contemporary industrial landscape. Starting from a supranational level, this paper demonstrates how neo-institutional theory provides insights to understand the ways by which countries can craft their carbonomics policy architectures. In particular, this paper broadens the application of the neo-institutional theory of organisational practices to a country-level analysis in order to understand their attempts to reduce global atmospheric pollution. By summarising the carbon policy and regulations of major developed and developing countries which together have contributed more than 75% of global emissions, this study aims to explore how they incorporate the global carbonomics institutions in their carbon policy architectures. Three selected countries are studied to reveal different roadmaps, albeit with some considerable degrees of similarity, for designing and implementing their climate policies to curb emissions. The case studies also shed light on which highly polluting industry sectors have been affected by the carbon policies in various jurisdictions. Because each policy and its supporting regulation entail compliance costs and promulgate certain rules to be followed, the impact of carbon policies must be taken into consideration into future research examining contemporary industrial organisation as the world moves into a low carbon economy.

Keywords: the Kyoto Protocol, carbon emissions, climate change, ETS, neo-institutional theory