

# Governance for Sustainable Development



# Governance for Sustainable Development

The Challenge of Adapting Form to Function

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*Edited by*

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# Preface

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The concept of sustainable development (SD) has increasingly become a major overall goal of national governments. Strongly prodded from ‘above’ by international and regional organisations, and pressured from ‘below’ by a broad variety of non-governmental organisations, the concept has achieved more and more prominence as a programmatic goal for governing initiatives. The purpose of the present volume is to explore the challenge of implementing sustainable development when viewed as a markedly ‘different’ type of programme-policy task. Assuming that the nature of the task – as first formulated and subsequently developed by United Nations’ organisations – requires new modes of governance, the book addresses the issue of how existing ‘forms’ of governance can adapt to specified ‘functions’ of sustainable development.

The studies presented have been developed conjointly within the SUSGOV project of the Programme for Research and Documentation for a Sustainable Society (ProSus). ProSus is a ‘strategic research programme’ at the Centre for Development and the Environment (SUM), University of Oslo. The programme is financed by the Research Council of Norway, Division for Strategic Priorities, Section on ‘Environment, Energy and Sustainable Development’.

The SUSGOV project has been organised as a series of workshops, where the authors have presented and developed their individual contributions in relation to a common dialogue on the ‘form-follows-function’ theme. Workshops were held at the University of Twente (CSTM) in the Netherlands (May 2001); Ronda, Spain (November 2001); Lillehammer, Norway (April 2002); and Rome, Italy (November 2002). The team members were selected on the basis of their particular expertise in different aspects of governance and policy implementation, and were encouraged to determine themselves which facet of the SD governance challenge they wished to focus. The project director (and editor) has taken the responsibility, in continuous dialogue with the project team, for coordinating and summarising the implications of the individual studies.

One aspect of the project warrants particular emphasis. While sustainable development has a specific history with respect to joining the interests and responsibilities of ‘northern’ and ‘southern’ countries, the SUSGOV project has focused only on the implementation challenge faced by high-consumption

(OECD) countries. This is primarily a reflection of the research remit of ProSus, with a mandate to concentrate on the non-sustainable production and consumption patterns of highly industrialised countries. ProSus's sister organisation in Norway, SUM, has a complementary obligation with respect to development and the environment in less-advantaged countries. The current volume thus provides a further contribution to the studies presented by Lafferty and Meadowcroft in *Democracy and the Environment* (Edward Elgar, 1996) and *Implementing Sustainable Development* (Oxford University Press, 2000).

As with all team projects, there are many people to thank for their significant contributions to the final product. The project director would particularly like to thank the other team members for their highly constructive contributions to the overall frame of the project, and for their ongoing willingness to take on the analytic perspectives developed. Special thanks are due to Hilde Annette Aakre at ProSus who had administrative responsibility for coordinating the project from the start, and then took on the tedious task, ably assisted by Mette Samsing, of shepherding the final manuscript through to the publishers. Warm thanks are also due to Aveen Henry, Ger Mullally, Jim Buckley and the entire staff of the Cleaner Production Promotion Unit (CPPU), Department of Civil and Environmental Engineering, University College Cork, Ireland. It was during a sabbatical semester at CPPU that the conditions were created to allow for the completion of the manuscript, and more supportive and congenial conditions are difficult to imagine. The Research Council of Norway and those left behind at ProSus, particularly Audun Ruud, made the sabbatical possible; and my partner in all endeavours, Gro Elisabeth Helgesen, provided her usual vital support, academic and otherwise, on varying home fronts. Any remaining flaws remain the responsibility of the author – and of the glorious distractions of South-West Cork!

William M. Lafferty  
Oslo and Cork

# Abbreviations

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ACE	Advisory Council for the Environment
ACF	Advocacy Coalition Framework
CEC	Commission of the European Communities
CEE	Central and Eastern Europe
CES	Economic and Social Council
CESD	Commissioner for the Environment and Sustainable Development
CEAA	Canadian Environmental Assessment Agency
CIT	Contextual Interaction Theory
CO <sub>2</sub>	carbon dioxide
COM	European Commission
COMPSUS	The Project on Comparative Implementation of Sustainable Development
COREPER	Committee of Permanent Representatives
CPPU	Cleaner Production Promotion Unit (University College Cork)
CSM	Sectoral Conference on the Environment
CSTM	Centrum voor Schone Technology en Milieubeleid (Centre for Clean Technology and Environmental Policy)
DUX	German Environmental Index
EAP	Environmental Action Program for Central and Eastern Europe
EC	European Communities
ECJ	European Court of Justice
ECOFIN	European Council of Financial Ministers
EEA	European Environmental Agency
EEB	European Environmental Bureau
EMA	Environmental Management Act
EMAS	Eco-Management and Audit Scheme
EMS	environmental management system
EPI	Environmental Policy Integration
EU	European Union
EURES	Institute for Regional Studies in Europe
EUROSTAT	Statistical Office of the European Communities
EZ	Economische Zaken (Dutch Ministry for Economic Affairs)

FSMP	Spanish Federation of Municipalities and Provinces
GCEA	Governmental Commission for Economic Affairs
GHG	greenhouse gas emissions
GSE	General Secretary for the Environment
HEPI	Horizontal Environmental Policy Integration
IAD	Institutional analysis and development framework
IPCC	International Panel on Climate Change
ICLEI	International Council for Local Environmental Initiatives
IDA	International Development Assistance
IEEA	Integrated Environmental and Economic Accounting
IEEP	Institute for European Environmental Policy, London
IEG	Innovation in Environmental Governance
IMF	International Monetary Fund
Impel	EU Network on Implementation and Enforcement of Environmental Law
INGP	International Network of Green Planners
IPCC	Intergovernmental Panel on Climate Change
IPO	Netherlands Association of Provinces
ISO	International Organisation for Standardisation
IU	United Left
IUCN	International Union for the Conservation of Nature
LPD	Liberal Pluralist Democracy
LRTAP	Long-Range Transport of Air Pollutants
MBOr	Management by Objectives (and results)
MEP	Member of the European Parliament
MIMAM	Ministry of the Environment
MoE	Ministry of Environment
NCC	National Climate Council
NEAP	National Environmental Action Plan
NEPI	New Environmental Policy Instruments
NEPP	National Environmental Policy Plan for the Netherlands
NEQO	National Environmental Quality Objective
NGO	Non-governmental Organisation
NIS	New Independent States
NRC	The Research Council of Norway
NRTEE	National Round Table on the Environment and the Economy (Canada)
NWP	National Water Plan
OD	Operational Directive (World Bank)
OECD	Organisation for Economic Co-operation and Development
PFCs	perfluorocarbons
PP	Popular Party



ProSus	Programme for Research and Documentation for a Sustainable Society
PSOE	Socialist Party
PUMA	Public Management Service
RIVM	Netherlands National Institute for Public Health and Environment Protection
SD	Sustainable Development
SDS	Sustainable Development Strategy
SEPA	Swedish Environmental Protection Agency
SIA	Sustainability Impact Assessment
SIGMA	Support for Improvement in Governance and Management
SPRU	Science and Technology Policy Research (University of Sussex)
SSSD	Spanish Strategy for Sustainable Development
SSWCA	Secretariat of State for Water and Coastal Areas
SUM	Centre for Development and the Environment (University of Oslo)
SUSGOV	Governance for Sustainable Development (ProSus project)
TBS	Treasury Board Secretariat
UK	United Kingdom
UMK	Conference of Environment Ministers (Germany)
UN	The United Nations
UNCED	The United Nations Conference on Environment and Development
UNCSD	The United Nations Commission on Sustainable Development
UNDP	The United Nations Development Programme
UNECE	United Nations Commission for Europe
UNEP	The United Nations Environment Programme
USA	United States of America
UvW	Netherlands Association of Water Boards
VEPI	Vertical Environmental Policy Integration
VNG	Netherlands Association of Municipalities
VROM	Netherlands Ministry of Spatial Planning, Housing and the Environment
WBCSD	World Business Council for Sustainable Development
WCED	World Commission on Environment and Development
WSSD	World Summit on Sustainable Development
WTO	World Trade Organization
WWF	World Wildlife Fund for Nature



# 1. Introduction: form and function in governance for sustainable development

**William M. Lafferty**

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The relationship between form and function is an ongoing theme of the ancient discourse on political steering. Governments are never established in a theoretical vacuum. They reflect the exigencies of their time and place, as well as the conflicting interests and power bases of their major actors, both individual and collective. They also reflect the basic values and goals inherent in the interdependent social and economic systems that government is designed to ‘steer’. The ‘form’ of government tends, in other words, to reflect the dominant ‘functions’ of the different systems and actors that are to be governed.

Political analysts have, for example, long debated the functional interdependence between the Western model of liberal–pluralist democracy and the dominant values and tasks of free market societies. American, Canadian and British theorists in particular have identified the Western model as ‘competitive democracy’, with ‘competition’ understood as a basic feature of politics viewed as a market analogy. From Schumpeter, through Dahl and Macpherson to Held – with continuous input from scores of comparative democratic empiricists – Western democracy has increasingly been portrayed as having taken on the distinct form and symbolism of ‘market democracy’.<sup>1</sup> The established position of the model has also been strong enough to generate scores of alternative theorists. Debates between ‘realists’ and ‘idealists’ have been a dominant feature of academic political science throughout the latter half of the past century. The models of the realists have been criticized as being overly dependent on the exigencies of the capitalist–pluralist system; and the models of the idealists as being abstract, naive and even dangerous (‘destabilizing’).

The debates have generated considerable heat, and – for the purpose of the present volume – at least some light. They have served to illustrate the major theme of the book: that basic principles of instrumental efficiency require that the overall form of governance in a society reflect and serve the dominant functions of the system(s) to be governed. Further, the debates provide an alternative profile to the type of discourse aimed at here. While the discourse

among ‘realists’ and ‘idealists’ was primarily among academics and primarily theoretical, the discourse to be encouraged here is more pragmatic, applied and strategic.

The difference can be illustrated with reference to the most relevant current discourse: the attempt to develop alternative forms of ‘green’ or ‘ecological’ democracy.<sup>2</sup> The underlying notion here is that competitive or liberal–pluralist democracy is not adequate to the type of socio-economic transition deemed necessary to rectify major environmental and ecological challenges. To the contrary, as both an integral part of the dominant capitalist system of Western societies and an increasingly key feature of Westernization through globalization, the model of ‘market democracy’ emerges as a problematical adjunct to the relationship between economic growth and ecological degradation. To the degree that unsustainable production and consumption are a logical consequence of liberal–pluralist market societies, any change in the direction of sustainable development means that the dominant mode of democracy in these societies must come under scrutiny.

To be scrutinized as a functional adjunct does not mean, however, that the model must be completely replaced, either in the service of utopian democratic theory or anti-globalization rhetoric – the two leading strains of the ‘green democracy’ critique. The issue can – and in the present view *should* – be addressed within a discourse on pragmatic, functional governance: a discourse devoted to the adaptation of current democratic values, procedures and institutions to the functional prerequisites of sustainable development. Such a discourse was initiated by Lafferty and Meadowcroft in 1996, and has been subsequently followed up by these and other authors.<sup>3</sup> The discourse has also been joined in a very specific and highly relevant fashion by the Public Management Service (PUMA) of the OECD through its programme on Governance and Sustainable Development.<sup>4</sup> The programme aims to clarify the nature and role of specific governing mechanisms for sustainable development – institutions, procedures, policy instruments, etc – and is an important point of reference for the present study.

The general task of adapting democratic form to sustainable development function has thus served as a broad framework for the SUSGOV (Governance for Sustainable Development) project. At the outset of the project the working idea for structuring the individual studies was: ‘What works where, when and how for the promotion of sustainable development?’ The discussion initially focussed on policy instruments, but gradually evolved into the broader issue of ‘governance’. This thematic focus corresponded well with the purpose of the ProSus (Programme for Research and Documentation for a Sustainable Society) research unit. Defined as a ‘Strategic Research Programme’ at the University of Oslo, the purpose of ProSus is to produce knowledge that improves the effectiveness of Norway’s implementation of the commitments

made to sustainable development at the Rio Earth Summit in 1992. With a strong emphasis on both comparative analysis and the demonstration effect of ‘best practice’, the object of SUSGOV has been to bring together an international team of policy and governance experts – each within their respective problem-related contexts – to address the challenge of better adapting current governance mechanisms, institutions and procedures to the functional requirements of sustainable development. The task is thus ‘normative’ in the sense that the project deals with a goal-related and value-laden programme for change. The specific valences of the programme, however, are taken from the United Nations programme for sustainable development, not from the opinions or preferences of either ProSus or the individual researchers invited to participate.

Each study thus aims to communicate insights into the relationship between the overall goals of the sustainable development (SD) programme and the form(s) of governance that might better promote the goals. This does not imply any form of programmatic commitment to sustainable development among the participants, nor even a common understanding of what sustainable development entails. It *does* reflect, however, a common acceptance of the ‘differentness’ of sustainable development as an overarching goal; though, as we will see, the ‘commonality’ here is hardly unison.

By highlighting the key issues that have emerged during the course of the project discussions, and as a preface to the summary perspectives put forward by the editor in the concluding chapter, the two major topics of the project will be outlined here: *rational democratic governance*, as both underlying logic and goal of the sustainable development programme; and the ‘*differentness of sustainable development*’, as the key premise for identifying and analysing the specific topics, mechanisms and instruments taken up in each study. These themes have served as conceptual ‘touchstones’ for both anchoring commonality and highlighting differences of opinion and approach within the research team. They provide many of the key concepts and premises for the ‘form follows-function’ problematic, serving thereby to clearly distinguish the approach from related discourses on ‘eco-modernization vs sustainable development’ (see below), and more recent systematic analyses of ‘new instruments of environmental governance’ (Jordan et al. 2003).

## RATIONAL DEMOCRATIC GOVERNANCE

If the idea of ‘form following function’ is to be fruitfully applied to the task of adapting governance to sustainable development, it must build on a premise of rational democratic governance. One must believe that the task of achieving sustainable development is a rational one: a process that can, to a reasonable

degree, be ‘steered’ by governing procedures and institutions; and one must assume that governments committed to sustainable development are willing to alter existing governing systems in order to better achieve SD goals. As indicated above, all of the governments covered by the individual studies are committed to this understanding of rational democratic governance; as are all the major organizations – UNCSD, UNEP, EU, EEA, OECD, etc – working with strategies and implementation.

## Democracy and Steering

The American political philosopher Carl Cohen (1971) has identified ‘rationality’ as one of two logically necessary ‘presuppositions’ for democracy (the other being ‘community’). For democracy to function as a system for public choice and directive ‘steering’, it must be based on normal principles of logic and rules and guidelines for public debate and decision-making. The root of the term *demo-cracy* derives from the Greek word *kratein* (*kratos*), indicating ‘power’ or ‘authority’; and the root of the term ‘govern’ derives from the Latin and Greek terms for ‘steering’ or ‘piloting’ a ship. The core notion of ‘democratic governance’ thus refers to the rational steering of a community in directions reflecting the power and authority of the community membership.

The etymology is important here for two reasons: first, to emphasize that it is a basic purpose of governance to *steer* a community in a stipulated direction; and, second, to focus the challenge of *democratic* governance with respect to rational norms for formulating and realizing the authority (‘will’) of the community. Together the two dimensions indicate that: (1) whether we call it ‘governing’ or ‘governance’, the purpose and responsibility of specific ‘governments’ is to direct and steer change; and (2) irrespective of competing schools of policy-process research (Sabatier 1999), democratic governance presupposes a sequential instrumental logic (ends and means), which is open to external evaluation and adjustment. While the first dimension highlights the *strategic responsibility of governments*, the second highlights *the normative basis for rational implementation*.

In the present work these dimensions will be associated with two key features of the political programme for sustainable development – features that have become manifest at all levels of government: the inherent nature of the SD programme as a strategic effort to achieve change, and a strong normative commitment to hold governments responsible for effective implementation.<sup>5</sup>

An initial guideline for adapting the notion of ‘governance’ to sustainable development is, therefore, an emphasis on the strategic and responsible nature of the steering in question. The notion of governance implied is thus both conventional in a linguistic sense, and politically ‘timely’ in a pragmatic sense of applied science. The term ‘governance’ has a long history in the political

science literature, and a relatively much shorter history in discourses on ‘partnership’ and ‘stakeholder cooperation’.

## **Governance**

Linguistically, ‘governance’ has traditionally connoted ‘the act or process of governing’, with the latter primarily associated with governmental steering by regulation and sanctions. Modern theories and discourses on public administration and policy implementation have, however, expanded the connotation to include many other forms of steering.<sup>6</sup> The evolution originally focused on economic policy instruments, but has in recent years increasingly focused on other instruments designed to alter and channel the behaviour of individual and collective actors. As a reflection of this latter trend, governance has currently come to indicate the totality of ‘mechanisms’ and ‘instruments’ available for influencing social change in preordained directions. It is interesting to note in this context that the social sciences (as well as the OECD and UN/EU policy ‘apparatuses’) still operate largely with technical analogies. This is perhaps not surprising, however, given that most of the issues discussed could reasonably be viewed as an updated version of ‘social engineering for sustainable development’.

Be that as it may, what appears to characterize the ‘linguistic shift’ in the use of governance over the past several decades is a general trend away from regulation as an effective means of achieving change. The entire debate within implementation analysis as to ‘top-down’ vs ‘bottom-up’ approaches mirrors a dual political trend in the West. On the one hand there has been a marked shift on the part of governments towards so-called ‘softer’ steering instruments; while on the other there has been a growing emphasis on decentralization and the mobilization of ‘civil society’. These trends have resulted in a significantly expanded list of potential steering mechanisms.

By way of illustration, the OECD originally operated with a list of three types of policy instruments (‘mechanisms to induce desired change’): ‘regulatory’, ‘financial’ and ‘informational’ (2001a). With the introduction of the idea of ‘policy mixes’, however, this list was expanded to cover six types of instruments; and, with a similar aim, ProSus has developed a list of six alternative ‘steering mechanisms’ (Table 1.1). Finally, we can mention that the recently reported project on ‘Innovation in Environmental Governance’ (see below), distinguishes instruments as ‘old’ and ‘new’: with the former very generally associated with ‘regulation’, and the latter encompassing ‘market-based instruments’, ‘voluntary agreements’ and ‘informational devices’ (primarily eco-labels) (Jordan et al. 2003).

The purpose of these lists is simply to illustrate the very broad nature of the steering concept that underlies the notion of governance being developed. Any

*Table 1.1 Types of policy instruments and steering mechanisms*

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OECD

*Command and control:* licences/permits; ambient quality standards; emissions standards; process standards; product standards; prohibition bans

*Economic instruments:* charges; taxes; tradable emission permits; tradable quotas; environmental subsidies; deposit-refund systems; performance bonds; non-compliance fees; resource pricing

*Liability, damage compensation:* strict liability rules; compensation funds; compulsory pollution insurance; extended producers responsibility

*Education and information:* education campaigns for the general public; diffusion of technical information; publicity of sanctions for non-compliance; eco-labelling

*Voluntary approaches:* unilateral commitments; public voluntary programmes; negotiated agreements

*Management and planning:* environmental management systems; zoning; land use

ProSus

*Rule steering:* laws; regulations; guidelines; sanctions; redistributions of rights and advantages; public programmes

*Economy and market steering:* taxes; surcharges; fees; subsidies and other market-directed incentives

*Normative steering:* ideological direction; value campaigns; alternative scenarios

*Educational steering:* information campaigns; use of 'best cases'; consensus conferences

*Motivational/emotional steering:* advertising and the active use of symbolic communication

*Cooperative steering:* covenants; charters; voluntary agreements; negotiations; 'cooperative management regimes'

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*Source:* OECD (2001b: 132) and working documents, ProSus.



democratically derived and sanctioned programme for social change can, in theory, employ one or more of the steering strategies and instruments identified. Governance through any one programme is then the totality of steering mechanisms employed, regardless of the seat of responsibility. Since several of the mechanisms are totally dependent on aspects of learning, cooperation, feedback and other forms of ‘non-governmental’ input, it becomes clear that the instrumentality employed in any specific steering initiative will vary considerably from a traditional understanding of ‘governing’ as command–control–compliance. Distinctions between ‘top-down’/‘bottom-up’ and ‘old’/‘new’ fade in this view (ideally) into a repertoire of pragmatically adjusted strategies and instruments. The ‘mix’ of mechanisms and instruments to be employed in any one programme will be directly dependent on the nature and goals of the programme, depending on the nature of the change that is trying to be achieved. This does *not* mean, however, that the programme itself is free of the rational constraints associated with the logic of strategic governance; nor – in the case of sustainable development – that individual *governments* are free of the overall responsibility for goal achievement.

### **Policy Implementation**

The perspective underlying the form–function problematic can be further illustrated by a brief reference to the field of programme policy implementation. This area of studies focuses on the *modus operandi* of rational democratic steering; a vital scientific and pragmatic enterprise devoted to answering questions as to ‘What works, where, when and how?’<sup>7</sup> It is also an academic discourse that has progressed far enough – theoretically and empirically – to enable a discussion of competing approaches and schools of understanding. There already exist comprehensive overviews of the field (Parsons 1995; Peters and Pierre 2003, Chs 16–19; O’Toole, Ch. 2, this volume), and one of the leading figures in the area, Paul Sabatier, has presented a comprehensive critical assessment of those theories and approaches, which, in his view, qualify as ‘scientifically promising’ theoretical frameworks (as well as clearly indicating those that, in his view, *don’t* qualify) (Sabatier 1999).

Sabatier’s work provides an important point of reference for any understanding of the policy implementation process. It is, however, directed primarily towards the task of assessing – and actually ‘certifying’ – alternative theories and approaches. While this may be an issue we want to return to later, it is important to point out that the studies presented within the SUSGOV framework have not been designed to represent any one ‘school’ of policy analysis; nor have they been designed to ‘test’ competing theories. The goal has been to highlight and address the ‘differentness’ of the implementation

problematic with respect to the goal of sustainable development, so as to draw out the implications for the governance- and policy-related discourses initiated by the UN, EU, OECD, etc. The contributors have responded to this challenge in their own way, emphasizing descriptive analysis and assessment rather than theoretical relevance (the continuation from Bressers is a clear exception).

For the sake of the broader discussion, however, it is nonetheless worthwhile to highlight the relevance of several aspects of the current approach for the more academic theoretical discourse being driven forward by Sabatier. In the hope of building better communicative bridges between the efforts of strategic and academic research in this area, we can briefly mention three points of potential interchange.

### **The logic of ‘stages’**

First, it is worth noting that the ‘political’ programme for sustainable development – here referred to rather generally as the ‘UNCED process’ – specifically operates with what Sabatier identifies as the ‘stages approach to the policy process’. As presented (and specifically ‘defended’) in the Sabatier volume by Peter deLeon, it reflects a baseline processual logic similar to that expressed in the previous section on democratic rationality. The core idea, which is as old as policy research itself, is expressed in the following ‘sequentially delineated stages’ (deLeon 1999: 21):

- initiation;
- estimation;
- selection;
- implementation;
- evaluation;
- termination.

The importance of the stages approach is that it clearly emerges – in one form or another, though with very differing functions – in virtually every framework treated by Sabatier. As such, the idea serves as a common descriptive premise for the policy discourse itself.

More importantly, however, the general scheme has also been directly integrated into the UNCED process as a general scheme for developing and carrying through strategies for sustainable development. Partially this is surely due to a need for a simplified understanding of the ‘agenda for change’ as a basis for communication. But the scheme also characterizes the entire evaluative approach and task of the United Nations Commission for Sustainable Development (UNCSD). The work and publications of the Commission are steeped in strategic thinking, sequential implementation, monitoring, evaluation, revision, etc.

*Table 1.2 Stylized 'model' for pursuing sustainable development through 'Local Agenda 21'*

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Recognition of the existing planning and financial frameworks as well as other plans and programmes
The systematic identification, by means of extensive public consultation, of problems and their causes
The prioritization of tasks to address identified problems
The creation of a vision for a sustainable community through a participatory process involving all sectors of the community
The consideration and assessment of alternative strategic options
The establishment of a long-term local action plan towards sustainability, which includes measurable targets
The programming of the implementation plan towards sustainability, which includes measurable targets
The establishment of systems and procedures for monitoring and reporting on the implementation of the plan

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*Source: Aalborg Charter, Part III, ICLEI website 1996–97.*

One gets a clear idea of the basic approach from a typical 'model' for implementing Chapter 28 ('Local Agenda 21') of the Rio Programme of Action, *Agenda 21* (United Nations 1994). The version used here is taken from the so-called Aalborg Charter, which served to initiate and guide implementation of Chapter 28 in Europe (Table 1.2).

As the model clearly indicates, any attempt to either theorize on or evaluate such a policy for change presupposes a sequential stage approach. This does not imply an ontological commitment to the stages imagery as causal theory; merely a recognition that we cannot study implementation of sustainable development (in the given political frame) without taking the sequential logic into consideration.<sup>8</sup>

### **Top-down vs bottom-up vs ??**

The second aspect of Sabatier's work that warrants particular attention here is the well-known distinction between 'top-down' and 'bottom-up' approaches. At a critical juncture in the emergence of this issue, Sabatier presented a 'minimum list' of what he and his colleague Mazmanian viewed as critical factors in an implementation process whereby 'an authoritative decision to change an

existing state of affairs achieves its goals' (Sabatier 1986: 28, originally presented in Sabatier and Mazmanian 1979).<sup>9</sup>

- clear and consistent goals;
- an adequate 'theory of causality' (the underlying logic of the implementation task);
- legal incentives, which secure a high degree of compliance from both public authorities and users, so as to avoid 'veto points';
- engaged and competent 'implementors' who apply their 'unavoidable assessments' to the advantage of the goals in question;
- support for the initiative from organized interest groups and other affected public authorities;
- stable socioeconomic and political conditions, which do not undermine the original political support for the initiative, or alter conditions underlying the 'theory of causality' (Sabatier 1986: 23–5, as presented in Kjellberg and Reitan 1995: 151, our translation).

The usefulness of this list lies in the fact that it was presented by Sabatier at a critical juncture in policy-process analysis, where he and Mazmanian believed they had taken a significant step towards a more unified predictive approach. It also represents a concise summary of evaluation benchmarks for the type of implementation task described here: the achievement of goal-related change through public decision-making and enactment under the general responsibility of public authorities. Finally, the list was strongly influenced by case-study materials of environmental policy application. Assuming, therefore, that the list *does* reflect the 'top-down' bias of *old style governmental* implementation (as claimed by critics of Sabatier), we can use it here as a converse benchmark for discussing the nature of *new style governance* for sustainable development. So as to indicate the type of comparative assessments that might be made, we can present a recent list from the OECD (2002) outlining 'recommended elements of a national strategy for sustainable development' (Table 1.3).

At a minimum, a comparison of the two lists indicates the extremely ambitious and much more diffuse nature of the SD implementation task. While the Sabatier–Mazmanian list could surely have been elaborated with sub-points, they would nonetheless be much more 'constrained' by the guidelines and steering mechanisms of the 'adequate causal theory' associated with more narrow policy goals. In the case of the OECD list the sub-points merely serve to emphasize the extreme openness and complexity of the strategic project.

One clear implication of this for further discussion is that the pretensions of the SD programme appear to presume the more 'authoritative' implementation guidelines of Sabatier and Mazmanian, while simultaneously endorsing the

*Table 1.3 Elements of a national sustainable development strategy*

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a) Integration of economic, social and environmental objectives, and balance across sectors, territories and generations:

- linking local, national, regional and global priorities and actions
- linking the short term to the medium and long term
- linking the national, regional and global levels
- linking different sectors
- coherence between budgets and strategy priorities

b) Broad participation and effective partnerships:

- institutionalized channels for communication
- access to information for all stakeholders and effective networking
- transparency and accountability
- trust and mutual respect
- partnerships among government, civil society, private sector and external institutions

c) Country ownership and commitment:

- strong political and stakeholder commitment
- sound leadership and good governance
- shared strategic and pragmatic vision
- strong institution or group of institutions spearheading the process
- continuity of the national sustainable development strategy process

d) Developing capacity and enabling environment:

- building on existing knowledge and expertise
- building on existing mechanisms and strategies

e) Focus on outcomes and means of implementation:

- the means to assess and agree priority issues in place
  - coherence between budget, capacity and strategy priorities
  - realistic, flexible targets
  - linked to private sector investment
  - anchored in sound technical and economic analysis
  - integrated mechanisms for assessment, follow up, evaluation and feedback
-

extremely broad, interdependent and flexible guidelines of the OECD. To say that this appears to place the SD project somewhere between the ‘devil’ of top-down steering and the ‘deep blue sea’ of a bottom-up free-for-all, is hardly controversial, either within or without the SD persuasion. ‘Speaking truth to power’ is, however, a time-worn challenge for policy analysts; and the contrasting lists provide a useful point of departure for the discussion of ‘differentness’ below.<sup>10</sup>

### **Ideational vs institutional theories**

Finally, it is interesting to point out that Sabatier’s most recent overview of policy-process theory awards the highest marks to ‘institutional rational choice’ (particularly the variant developed by Elinor Ostrom (1999) and her colleagues, designated as the ‘institutional analysis and development framework’ (IAD); and his own approach (together with Hank Jenkins-Smith), the ‘advocacy coalition framework’ (ACF).<sup>11</sup> Without entering into the metatheoretical discussion initiated by Sabatier here, it is both interesting and relevant to note that Jordan et al. (2003) – in their comparative analysis of ‘new’ instruments of environmental governance in eight OECD countries – indirectly accede to Sabatier’s judgement by choosing two major lines of theoretical approach to explain the ‘why’ of instrument selection and the ‘how’ of instrument application. These two lines are labelled ‘ideational theories’ and ‘institutional theories’, with Sabatier’s ACF singled out (along with Hall’s [1993] ‘social learning’ approach) as exemplary for the former. Ostrom is not given special recognition in their brief profile of ‘institutional’ theory, but their presentation of the major concepts of the theory clearly reflects similarities to Ostrom’s own persuasion.

This application by Jordan et al. – admittedly in generalized form – of the two frameworks designated as ‘front-runners’ by Sabatier, provides yet another contact point for discussing the implications of the SUSGOV studies. Since all of the studies presented attempt – in one way or another – to relate to the ‘differentness’ of sustainable development, we are operating within a topical area similar to the project by Jordan et al. on ‘innovation in environmental governance’ (2003). Given that the latter study has just appeared as the present work goes to press, there can be no expectation of systematic comparison – but the way should be open for interesting observations on both sides.

## **THE ‘DIFFERENTNESS’ OF SUSTAINABLE DEVELOPMENT**

Turning to the second major topic of the study, it has been a key assumption of the SUSGOV project that the task of implementing sustainable development is somehow ‘different’ – more demanding, comprehensive, challenging – than

the type of implementation task normally confronted by policy analysts. This is a premise that is: (1) clearly enunciated and broadly promulgated within the UNCED process; (2) has received widespread recognition in normative academic discourses dealing with the numerous demands of the ‘sustainability transition’ (for example, O’Riordan 1993, 1996; O’Riordan and Voisey 1999; Baker et al. 1997; NRC 1999; OECD 2001b); and (3) is clearly manifest in the records of those governments that have worked most seriously to realize the Rio commitments (Lafferty and Meadowcroft 2000; OECD 2002).

While it cannot be said that the contributors to this volume all accept the premise of ‘differentness’ in a standardized way, they have been willing to use it as a point of departure for the individual studies. It remains, therefore, to spell out in greater detail what the premise builds on, so as to determine the broader relevance of the studies for the discourse on SD governance and implementation.

### **Establishing the Conceptual Core**

While issues of ‘sustainable harvests’ and the ‘sustainable use of natural resources’ have long been part of a broad discourse on resource management, it was in the United Nations’ effort to bring environmental problems to the fore of international attention that the term ‘sustainable development’ was first put forward.<sup>12</sup> The primary source for the concept is the concluding report from the World Commission on Sustainable Development, *Our Common Future* (WCED 1987). It is the understanding put forth here that laid the foundation for the UNCED process leading up to the Earth Summit in 1992, and that provides the normative framework for the conventions and agreements adopted in Rio. It is also the baseline understanding that supports and motivates the guidelines and procedures of the follow-up secretariat to Rio, the United Nations Commission on Sustainable Development (UNCSD), as well as the parallel activities of the United Nations Environmental Programme (UNEP), the United Nations Development Programme (UNDP), the ‘Habitat’ programme, and other related UN initiatives.

The core definition of sustainable development from *Our Common Future* is stated as follows:

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

- the concept of ‘needs’, in particular the essential needs of the world’s poor, to which overriding priority should be given; and
- the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet present and future needs. (WCED 1987: 43)

Pointing out a near-universal tendency to cite only the first sentence of this definition – and thereby neglecting the crucial implications of the two ‘key concepts’ – Lafferty and Langhelle (1999) have attempted to express the core idea in terms of three interrelated semantic elements:

- *physical sustainability*: a normative principle that assigns moral prerogative to the need to protect and exploit natural life-support systems in a manner that secures the ongoing satisfaction of essential human needs;
- *generational equity*: a normative principle that requires physical sustainability to be achieved in a manner designed to guarantee essential need satisfaction for recurring future generations;
- *global equity*: a normative principle that requires physical sustainability to be regulated among countries such that the satisfaction of the essential needs of the world’s poor is given priority over the satisfaction of less-essential needs among the populations of wealthier countries.

Lafferty and Langhelle go on to point out that, beyond these core semantic elements, the idea of sustainable development is characterized by several different types of ‘semantic openness’. The implication of this is that:

As a principle to provide guidelines, or as an ethical code for human survival and progress, the concept is on a par with other high-minded terms such as democracy, freedom, human rights, and so on. The ‘openness of meaning’ of these concepts can never be closed. The content of sustainable development is thus not fixed once and for all. Its fruitfulness is linked to continued political discourse on the concept’s content and future goals; to continuing debates as to the instrumental implications of its normative aspirations. (Lafferty and Langhelle 1999: 26)

While this ‘solution’ may at first sound like a very open-ended point of departure for a project designed to highlight the ‘differentness’ of sustainable development as a programme for governance, this need not be the case. What the statement indicates is that we should not expect the definitional conflict over sustainable development to be ‘resolved’ by critical discourse alone. We can only enhance a more consensual understanding of the concept, and promote a more effective realization of its goals, by judicious analytic attempts to elucidate the instrumental consequences of applied uses of the general idea. Lafferty and Meadowcroft (2000), for example, were able to conduct a large-scale assessment of the implementation of sustainable development in nine countries and the European Union without taking a narrow programmatic stand on the ‘real’ meaning of sustainable development. Indeed, had the attempt been made to impose such a definition on the international research team, the project would surely have foundered at the start.

The key stipulation here is the notion of ‘judiciousness’: finding an analytic



framework that focuses the nature of sustainable development for the purpose of the project at hand – in this case casting light on the *particular* nature of sustainable development as a challenge to governance. This will be carried through by first outlining the distinctness of sustainable development as a political programme, and then following up with a stipulation of five ‘key characteristics’ of SD in practice. These characteristics are viewed as logically necessary ‘functional conditions’ – conditions that can be derived from the normative model underlying the UNCED programme – and which, if accepted, pose serious challenges to existing modes of governance in Western liberal–pluralist democracies.

### **The Distinctness of the Sustainable Development Programme**

Despite a relatively large degree of ‘conceptual openness’, Lafferty and Langhelle conclude their explication of sustainable development on a note that points out significant differences between pursuing a path of ‘development as usual’ and pursuing a path of sustainable development. Lafferty and Meadowcroft (2000, Ch. 13) have pushed this perspective one step further by arguing that sustainable development also implies a path that is more demanding, both ethically and substantively, than ‘ecological modernization’. One can therefore imagine, at a minimum, four distinct modes of national development:

1. *market liberalism*: with little or no emphasis on either economic–social redistribution or environmental–ecological degradation;
2. *social-democratic liberalism*: which attempts to address the first concern, but has only marginal concern for the second;
3. *eco-modernization*: which may build on either (1) or (2), and which aims to ‘modernize’ these modes by adapting them to relatively narrow standards of environmental protection; and
4. *sustainable development*: which is committed to hindering and redressing environmental–ecological degradation within an integrated value framework of generational and global equity.

The essence of this distinction can be made more specific by trying to enunciate the logic of the political programme to achieve sustainable development. The interpretation presented here (Table 1.4) is based on a close reading of the *Rio Declaration on Environment and Development* and *Agenda 21: Programme of Action for Sustainable Development* (United Nations 1994), as well as a close monitoring of the work of the UN Commission on Sustainable Development over the past decade. The documents in question build on the normative–conceptual position put forth in *Our Common Future*, and have been unanimously adopted and continuously reaffirmed, by the members of the United Nations.

*Table 1.4 The logic of the UNCED programme for sustainable development as interpreted by the ProSus research programme*

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Sustainable development is necessary because ‘over-development’ in the richest countries and ‘under-development’ in the poorest countries is causing harm to local, regional and global life-support systems

Levels of ‘under-’ and ‘over-’ development’ should be relativized to reasonable levels of satisfaction of ‘essential’ human needs

Poverty and a general lack of developmental resources (man-made, natural, human and social capital) are major causes of under-development in the poorest countries; and relatively minor indirect causes of harm to life-support systems

Changes in production and consumption patterns in ‘transition countries’ are contributing to both reasonable levels of development and more serious harm to life-support systems

Existing types and levels of production and consumption in the richest countries are the major drivers of harm to life-support systems

People living in poverty today are disadvantaged by both under-development and harm to life-support systems

Future generations are potentially disadvantaged by harm to life-support systems

Normative considerations of both human survival and global-generational equity require political, economic, social and cultural efforts to alleviate harm to life-support systems

By implication, the same normative considerations require efforts to alter conditions of over- and under-development

An effective and pressing implementation of these commitments is the major challenge of ‘governance for sustainable development’

The challenge must be addressed by governmental signatories to the United Nations accords: the responsibility for ‘governance’ rests with ‘governments’

The challenge has been specifically identified as one of national strategies, action plans and implementation, and the United Nations system is currently in the process of assessing progress on numerous aspects of the programme

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Clearly none of the three alternative paths of development listed above comply with the normative expectations of the programme as outlined. One may have very different opinions as to the overall *desirability* of the programme – and countries clearly *do* differ as to how the programme should be carried through – but the distinctness of the values and goals stipulated, and the marked activities of several leading nations (and the European Union) in pursuing the goals, would seem to be non-contestable. We are talking about a programme that requires effective political initiatives to ameliorate the negative impacts on life-support systems of over- and under-development within an ethical context of global and generational equity.

### **Key Characteristics and Functional Challenges**

Accepting the core definition and political–strategic nature of the SD programme, the argument for functional ‘differentness’ can be made more specific for the problem of governance in terms of five ‘key characteristics’ of sustainable development. These characteristics (posited ‘exigencies’, ‘requirements’, ‘demands’) have been developed over a number of years, with presentations and discussions in numerous fora and evolving publications (for example, Lafferty 1996b, 2000, 2002; Lafferty and Meadowcroft 1996). The formulation here is designed to emphasize the functional aspect of the ‘form to follow function’ challenge, so as to indicate in more general terms the types of issues being addressed by the individual studies, as well as lay a foundation for the concluding discussion.

### **An exogenous – ‘outside-in’ – programme**

It is a fundamental presupposition of democratic rationality, and a key empirical premise of policy implementation, that any programme to be realized by governance has its point of departure, and history of discussion and adoption, within the community of actors that is to be affected by the programme. Programmes and policies are ‘generated’ by indigenous interests; they arise to solve problems and distribute benefits and burdens among the members of the community. Nearly all case studies of policy processes begin with a presentation and analysis of the history of policy evolution, identifying specific backers and opponents of the initiative, and documenting the specifics of the decision-making stage.

In the case of sustainable development the history of the UNCED programme transpired largely outside of the realm of normal domestic politics. The number of actors involved was both very small and very professional, consisting predominantly of representatives of one or two governmental ministries and NGOs for environment and development. The specification of the programme took place over a period of five years (1987–92), mostly within closed committee sessions or working conferences for specially invited and certified representatives. The key issues of negotiation and the specifics of

the draft documents were known to relatively few people, and the vast majority of sub-policies were formulated as relatively abstract goals. Representatives from political parties were hardly ever represented as such, and the key issues being discussed and negotiated at the international level were generally not introduced into elections.

The distinctness of these features is, of course, relative. Many of the aspects are shared by other foreign-policy decisions and commitments; the visibility and politicization of the UNCED process was more marked in some countries than others (Lafferty and Meadowcroft 2000); and most countries had at the time some history of domestic 'environmental politics'. These qualifications do not detract, however, from the exceptional character of the programme as an 'outside-in' obligation. The implications of the key UNCED documents – the *Rio Declaration*, *Agenda 21* and the *International Convention on Climate Change* – were probably more comprehensive and demanding in their domestic socio-economic impacts than any other international agreements adopted prior to Rio. Section 3 of *Agenda 21*, for example, outlines the roles and responsibilities of the following 'major groups' in implementing the programme: women, children, youth, indigenous people and their communities, non-governmental organizations, local authorities, workers and their trade unions, business and industry, the scientific and technological community and farmers. Yet how many members of these communities were at all aware of what was being decided for them at Rio, and how representative of their interests were the negotiators on their behalf?

The agreements made at Rio had, in other words, to be 'brought home' for subsequent implementation. One of the first tasks of governments – virtually *all* national governments – was to decide how to communicate the results of the conference to their citizens and 'major groups'. Unlike most foreign-policy commitments this one required something from everyone. It was also a 'something' quite different from extant domestic politics on environment and development issues, and was so little transparent that it needed to be (literally) translated and transformed into realistic policies and sub-programmes. It was 'outside-in'; it was comprehensive; it was abstract; and it was explicitly normative. It defined its 'community' as virtually all domestic actors; and, for good measure, it added the interests of both 'future generations' and 'the world's poor' to the national political agenda. It was, in short, anything *but* 'governance as usual'.<sup>13</sup>

### **A trans-border, supra-national programme**

At the same time that the UNCED programme made exceptional demands on domestic politics, it also presupposed new and more intense cooperation with neighbouring states, as well as increased coordination on a regional and global basis. Neither the consequences of environmental pollution, greenhouse gas emissions, access to clean water, or the protection of biodiversity can be effectively addressed within the realm of nation-state politics. As strongly argued

elsewhere (Dryzek 1987, 1996; Lafferty 2000, 2004) the intrinsic logic of ‘ecological rationality’ requires a systematic reworking of political cartography and the boundaries of democratic community. From a purely pragmatic point of view the language of UNCED and its numerous follow-up programmes is steeped in the language and prescriptions of ‘multi-level governance’. It is a fundamental premise of the ongoing work on SD strategies – whether under the UN, EU, OECD, or other regional bodies such as the Nordic Council – that the task cannot be achieved without a significant strengthening of bilateral cross-border agreements, multi-level coordination of political domains and multilateral supra-national steering. If there ever was a policy area that requires both a ‘pooling of sovereignty’ and a sense of ‘trans-national citizenship’, it is sustainable development. Both aspects acutely challenge existing images and institutions of governance.

### **A transformative programme**

While there are considerable differences of opinion as to what an effective implementation of the UNCED programme entails, there can be little doubt that the ambitions enunciated in Rio – prefigured by the Brundtland Report (WCED) in 1987 – involve significant changes in economic, social and cultural institutions. Just *how* significant is, of course, a highly contentious topic. It is not necessary to go into the issue of ‘weak’ vs ‘strong’ sustainability (Daly 1992; Beckerman 1994; Beckerman 1995; Jacobs 1995; Dobson 1996); nor the issue of economic growth and sustainable development (Lafferty and Langhelle 1999); nor the more recent discourse on ‘sustainable development as eco-modernization’ (Jansen et al. 1998; Lafferty and Meadowcroft 2000, Ch. 13; Langhelle 2000). We can simply refer to the position taken by virtually all of the major organizations working with sustainable development as an implementation challenge to the effect that SD requires – at least of the OECD countries in focus here – a ‘decoupling’ of the ‘pressures’ of existing economic and social ‘drivers’ on natural life-support systems. Even though the call for decoupling is usually only one of many steering mechanisms prescribed for sustainable development, it is a mechanism with radical implications for ‘business as usual’. Whether under the UN, the EU, the OECD or the World Business Council for Sustainable Development (WBCSD) (see Lafferty, Ch. 7 and Ruud, Ch. 8, this volume), the endorsement of decoupling indicates that serious change is necessary to realize a transition to sustainable development.

Furthermore, the related calls by these organizations for ‘sectoral policy integration’ to achieve decoupling indicates that the change is to be comprehensive across all existing policy sectors, and that it is to involve a ‘balanced’ integration of environmental, economic and social concerns. Given that the aim of these bodies is clearly not to just decouple – and leave *uncoupled!* – the

overall goal is clearly a new environmental–economic–social constellation. Dusting off a Marxist analogy, the posited need to decouple imposes a burden on the governing ‘superstructure’ to both decouple and recouple the ‘means of production’ from/to the ‘means of nature’.

### **A holistic, interdependent and contingent programme**

Were Marx and Marxism still ‘alive’, we can imagine how a ‘Marxist Strategy for Sustainable Development’ might ‘universally’ respond to the governance challenge. But they are not – and few are they who, under *any* guise, advocate a ‘one-size-fits-all’ understanding of the ‘recoupled’ SD state. By its very nature the totality of the UNCED programme presupposes a task confronted by holistic interactions, interdependencies and unpredictable results. In addition to issues of community responsibility and political coordination across domains – and as a direct challenge to decoupling through sectoral integration – *recoupling* presupposes radical new images and understandings of sustainability in practice. It requires such changes, moreover, across a multiplicity of interdependent environmental–economic–social–cultural constellations. The goals and principles are universally put forth. But the functional interactions among the new societal building blocks are extremely complex and unpredictable, and the ‘decoupled’ actors and their interests must be reconstituted within different ecological and natural resource settings. The goal of SD thus presupposes a transition that is on the one hand strongly value-laden and purposeful, while on the other being open, interactive and contextually adaptable. If it were not for the historical fact that the transition from a traditional agrarian society to a liberal free market society has been faced by similar, though less complex and holistic, demands, one might think that the SD programme *was* utopian! Be that as it may, the functional prerequisites for changing to, and maintaining, a sustainable society involve enormous educational and organizational demands.

### **A normative long-term programme**

Finally, there is the characteristic that seemingly creates most controversy: the normative and long-term nature of the programme. From the Brundtland Commission onwards, the discourse on sustainable development has been steeped in a rhetoric of compelling urgency and long-term commitment. It is viewed as an idealistic programme that ‘must’ be implemented, and that ‘must’ have a degree of permanence that stretches well into the future. As pointed out elsewhere (Lafferty 1996a), the moral ‘demands’ of the UNCED programme appear to rest on two major types of ethical legitimacy: the posited objectivity of a ‘realist’ (natural law) argument, supported by scientific argument and evidence; and the moral compulsion of a ‘consensual’ argument, resting on the unanimous support for the programme among the member states

of the United Nations. While the first claims moral commitment in the name of preserving the natural basis for life on earth, the second claims commitment on the basis of the consensual rules of the ‘game’ – the only ‘game’ of governance in place on a global basis.

It is with this characteristic that perhaps the greatest challenges for governance for sustainable development arise, since they are challenges related to the nature of contemporary democracy itself. It was pointed out above (in the first characteristic) that the numerous aspects of commitment attaching to the Rio accords were never discussed in detail in domestic elections, and that this clearly creates instrumental difficulties for hands-on implementation of the programme. What is at issue with the present characteristic, however, is the degree to which the commitments *can and should* be subjected to ongoing democratic decision-making. Whereas on the one hand sustainable development has been identified with a need for widespread participatory involvement (Meadowcroft, this volume), on the other it is clear that many of the most crucial commitments – reversing the degradation of natural life-support systems; satisfying the essential needs of the world’s poor; securing minimal standards of development and well-being for future generations – require a form of robust continuity that is not easily achieved in liberal–pluralist democracies. Key decisions for sustainable development must, in other words, have a degree of ‘authoritativeness’ that is not subjected to changing political whims.

Does this imply that the SD programme *is* – as many of its critics maintain – inherently non-democratic? Of course not. The use of the term ‘authoritative’ (building as it does on Easton’s (1953, 1965) widely acknowledged functional understanding of a political system as providing an ‘authoritative allocation of values’) is distinct from the connotation of ‘authoritarian’. What is envisioned here (Lafferty 2000, 2004) is a form of ‘robust continuity’ that is secured within the normative ‘toolbox’ of democratic theory *in general*; a more ‘essential’, ‘generic’ understanding of ‘democracy’, which maintains the core values of liberal–pluralist ‘Western’ democracy, but which aims to create a constellation of values, instruments, procedures and institutions that in sum transcends the predominant model.<sup>14</sup> At least two ways of generating such an alternative are available: (1) treating key commitments to sustainable development as ‘constitutional’ rather than ‘political’ issues; and (2) generating new mechanisms of governance within the general realm of democratic norms and concepts.

It is not necessary to go further into this discussion at this point (since it is an important facet of the project to assess the degree to which the different contributions advertently or inadvertently touch on the issue), but it seems safe to say that a serious analysis of the challenges facing governance for sustainable development clearly implies a challenge to existing democratic norms

and procedures. As stressed in an earlier publication by Lafferty and Hagtvet (1984, produced in the spirit of Robert Dahl's [1970, 1979, 1989] functionally pragmatic approach to democratization): democracy is an 'idea in history'. It must be continually assessed and reworked to meet the changing exigencies of human development. Any tensions between the values and procedures of liberal-pluralist ('modern') democracy and the values and goals of sustainable development can only be resolved through an open and empirically based dialogue. While the studies presented here have not been specifically designed to engage this problematic, they provide an excellent basis for initiating the dialogue.

## A BRIEF OVERVIEW

The perspectives outlined above have served as a general framework for the ongoing discussions within the SUSGOV project. With the exception of the 'differentness' of sustainable development as an implementation task, however, they have not been adopted as a common analytic frame. The purpose of the project has been to give each contributor leeway to define the aspect of SD implementation that she or he felt was most interesting and relevant in a governance context. The interpretation of 'differentness' – the aspect to be focussed on – has been left up to each contributor. As the reader will soon discover, however, the internal discussions of the project workshops clearly have led to a greater degree of commonality than is usual for such projects. Drawing out the implications of this commonality for the issues raised will be the task of the concluding chapter, Chapter 11.

The contributions are presented in an order that leads the reader through successive stages of conceptualizing and working with the SD implementation challenge. In Chapter 2 Laurence J. O'Toole provides a comprehensive overview of the SD problematic within the context of American and European policy research. Accepting the prospect of 'differentness' as a point of departure, the chapter aims to draw out aspects of differentness with respect to current discourses on implementation research. Building on his own extensive knowledge of the field, O'Toole provides a nuanced insight into both the weaknesses and strengths of the research area with respect to more effective SD implementation. He concludes by placing greatest emphasis on the need for more ongoing interactive learning and the development of new participatory institutions.

In Chapter 3 Elizabeth Bomberg assesses the differentness of the SD challenge within the context of the European Union. She begins by providing a brief historical overview of the development of SD as a policy area within the EU, and then gives a point-by-point assessment of the role of EU institutions



in promoting SD. Attention is then directed to an assessment of specific steering mechanisms in EU governance so as to bring forth the tensions and potential synergies between SD principles and current modes of governance. She concludes with a probing discussion of the relationship between form and function in EU governance, whereby she reverses the direction of the form–function challenge: How do the functions of established EU governance impact the pursuit of sustainable development?

Lennart J. Lundqvist follows up Bomberg in Chapter 4 with an in-depth assessment of the Swedish strategy for achieving ‘ecological sustainable development’. He profiles the Swedish approach as a prototype of ‘Management by Objectives and Results’ (MBOR), emphasizing how the approach contributes to long-term ‘self-binding’ governance, a key requirement of the SD programme. His detailed description of the Swedish strategy provides a clear ‘benchmark’ for cross-national comparisons, and Lundqvist exploits the comparative potential by using the MBOR framework to look first at the Dutch system of ‘National Environmental Policy Plans’ (NEPPs), and then the EU strategy for sustainable development. Complementing Bomberg, he concludes by drawing out alternative positive and negative implications of a more conscious application of the MBOR approach as a mechanism for SD governance in the European Union.

Both Bomberg and Lundqvist stress the potential contradiction between the EU’s primary market-oriented function and the demands of sustainable development. This is also an aspect of Susana Aguilar Fernández’s assessment of the Spanish strategy for sustainable development in Chapter 5. Aguilar Fernández provides a critical view of governmental efforts in Spain to formulate and carry through an SD strategy. Though her major criticism focuses on what she perceives as a marked disjunction between rhetoric and practice with respect to participatory involvement, she also faults the strategy for failing to problematize (much less analyse) the existing negative SD consequences of the dominant free market economy. In Aguilar Fernández’s view the stress placed by the European Union on sustainable development is primarily exploited in Spain in a negative direction. The government has, she believes, used the signal effect of EU policy to play rhetorical games without serious follow-up or inclusive political involvement. Given that this is hardly a unique feature for Spain, her in-depth analysis of the Spanish SD effort provides important insights into the vagaries of ‘outside-in’ programmes.

The critical conclusions on participation by Aguilar Fernández for Spain provide an excellent ‘bridge’ for Meadowcroft’s more general treatment of participation in Chapter 6. Moving away from the more specific national and supra-national contexts of Bomberg, Lundqvist and Aguilar Fernández, Meadowcroft looks at participation from a broader conceptual point of view. His aim is to draw out both the normative and practical implications of three

different ‘traditions’ and mechanisms of participation: citizens, stakeholders and local communities. Having clarified the nature of participatory input in general, and further highlighted the positive and negative aspects of each of the traditions and their mechanisms, Meadowcroft goes on to provide a series of judicious conclusions as to what we should – and perhaps more importantly, should *not* – expect from participation for sustainable development. His treatment can be viewed as a comprehensive ‘guide’ to the potential positive and negative impacts of alternative participatory arrangements, thus serving to raise the level of awareness as to just how complicated this most widely touted of SD governance mechanisms is.

In Chapter 7 Lafferty takes up yet another of the posited key mechanisms for SD governance (OECD 2001b), sectoral policy integration. The chapter takes its point of departure in OECD efforts to clarify the governance challenge, with a particular emphasis on ‘decoupling’ as a crucial goal of sustainable development. It then goes on to identify sectoral policy integration as a key mechanism for achieving decoupling, and presents extensive documentation of commitment to the mechanism within the UNCED and EU programmes for SD. The analysis provides a critical overview of the conceptual development of the idea with the aim of clarifying its essential dimensions, and then applies the resulting framework to existing case studies of SD governance. Looking most particularly at Germany, the Netherlands and Canada, the chapter concludes by outlining a possible model for sectoral integration, which combines the key characteristics of each case.

Lafferty’s conclusions provide yet another bridge to Ruud’s analysis of business as ‘partner for sustainable development’ in Chapter 8. Taking up the governance challenge in one of its broadest – and most critical – aspects, Ruud goes directly to the heart of the decoupling problematic by asking how business has engaged with the issue. Relying on a combination of secondary analysis of case studies and original material from Norway, Ruud outlines and documents the crucial difference between ‘eco-efficiency’ and ‘eco-effectiveness’. Providing data that clearly shows that major industrial actors are willing to sign on to sustainable development in pursuit of greater eco-efficiency, he demonstrates that this does not always result in greater overall eco-effectiveness. That which proves ‘efficient’ in an isolated process or product characteristic, does not always prove ‘effective’ when assessed within a broader consequential framework. ‘Rebound effects’ can not only undermine piecemeal ‘green’ reform, but lead, on the aggregate and over time, to a worsening of the situation. Ruud’s analysis provides ample illustration – at the ‘cutting edge’ of business involvement for sustainable development – of just how complicated the governance challenge for business is.

In Chapter 9 the analytic perspective is raised from specific steering mechanisms to national SD involvement through processes of dispersion within the

international community. Building on the extensive work carried out by Martin Jänicke and his colleagues in Berlin, Helge Jörgens focuses his analysis on the spread of ‘green plans’ and strategies for sustainable development. Concentrating most specifically on the ‘outside-in’ nature of the SD challenge, Jörgens inquires as to the ‘when’ and ‘why’ of national engagement. Relying on extensive databases and time series, he carries out a series of longitudinal analyses whereby he tests out alternative hypotheses of ‘harmonization’, ‘imposition’ and ‘diffusion’. His conclusion is that the three processes appear to promote engagement in different categories of nations at different time periods. Whereas diffusion with gradual harmonization accounts for the spread of strategic planning within the most highly developed OECD countries, imposition through conditionality provides a better account of the spread to less developed and transition countries. As a direct contribution to the governance discourse, the analysis demonstrates how processes of diffusion and learning directly influence the adoption of different steering mechanisms. This insight then points further towards the potential for independently strengthening the infrastructure and procedures whereby diffusion and learning take place.

Whereas Jörgens’ chapter clearly rests on a presupposition of SD ‘differentness’ (as an ‘outside-in’ programme), Chapter 10 by Hans Bressers raises theoretical and practical issues that clearly nuance the ‘differentness’ premise. As one of the leading ‘instrumentalists’ in European policy research, Bressers and his colleagues have long been conceptualizing and testing the effectiveness of environmental policy instruments. In this most recent contribution Bressers presents a thoroughly updated version of what is now termed ‘Contextual Interaction Theory’ (CIT). The chapter elaborates the theory in detail, and provides specific case applications with respect to several aspects of Dutch initiatives for sustainable development. In addition to the substantive results reported, the chapter is significant for its forthright contention that: (1) policy implementation can and should be approached within a deductive–predictive frame of analysis; (2) while the pursuit of sustainable development has resulted in numerous calls for innovative approaches and governing mechanisms, the overall success of implementation will to a large degree rest on the same type of ‘end-point’ interactions and influences among strategic actors that has always been the key ‘sticking point’ of successful policy implementation.

In one sense Bressers’ very specific deductive–empirical approach to SD governance brings us full circle on the issue of ‘differentness’. One implication of his analysis is that, despite sustainable development being radically different in political origin, scope, transformative intent, complexity and moral urgency, it must nonetheless *also* be viewed as part of a deeper and ongoing challenge of the essential dynamics of achieving change through governmental initiatives *per se*. While such an interpretation is clearly a timely reminder

not to let the well-washed ‘baby’ of policy instrumentation vanish in a change of bathwater for sustainable development governance, it also opens for an alternative perspective.

The CIT approach rests on the proposition that there are three ‘core variables’ for predicting instrumental outcomes: ‘motivation’, ‘information’ and ‘power’. Assuming that these variables *are* core variables (in the succinct theoretical sense implied by the theory), the question becomes one of the balance between the general (deductive) and specific (contextual) aspects of the theory. Bressers’ approach may – and clearly, in the Dutch context, *does* – explain a large part of the variance of selected governmental instruments. But given the ‘embeddedness’ of ‘motivation’, ‘information’ and ‘power’ in both national systems and a broad diversity of sectoral policy sub-systems, there is no way to avoid the broader implications of SD ‘differentness’ – however ‘messy’ and ‘wicked’ they may be.

In short, if the major implication of Bressers’ position is ‘*plus ça change – plus la même chose*’, the policy sciences are, at a minimum, confronted with a massive new challenge of creative communication and contextual relativization. ‘Sustainable development’ is now like ‘democracy’: it is universally desired, diversely understood, extremely difficult to achieve, and won’t go away. What more could the intrepid cadre of international policy analysts ask for? ‘Speaking truth to power’ indeed.

## NOTES

1. The classic texts are Schumpeter (1943) and Dahl (1956, 1971), with specific summary profiles of the model by Lively (1975), Macpherson (1977) and Held (1987). The term ‘market democracy’ was given foreign-policy prominence during the Clinton presidency in the United States.
2. Representative contributions here are O’Neill (1993), Buell and DeLuca (1996), Doherty and de Geus (1996), Mathews (1996), Faber (1998) and Lundmark (1998).
3. See for example Williams and Matheny (1995), Lafferty and Meadowcroft (1996), Lafferty (2000, 2002) and Lundqvist (2001, 2004).
4. See the OECD website: <http://www.oecd.org/puma>.
5. Both aspects are clearly reflected in the following statement by Gro Harlem Brundtland, head of the UN World Commission on Environment and Development. In her preface to the ‘short version’ of the Rio action plan, *Agenda 21*, she states that: ‘[The] Agenda for Change gives people a useful tool to hold their political leaders responsible for their acts and omissions in implementing what was agreed at Rio. The promises made at Rio can only be fulfilled in time to secure our future if governments are inspired and pressured by their citizens – by people willing to support difficult decisions and to demand change’ (Brundtland 1993).
6. The academic literature on ‘governance’ is growing rapidly. See Pierre (2000) and Pierre and Peters (2000) for comprehensive overviews. Of particular relevance for the substantive aspects of the present study is the extensive report from the project on ‘Innovation in Environmental Governance’ by Jordan et al. (2003). Other works of clear relevance for the applied aspects of the present approach are Rhodes (1997), Kettl (2002), Perri 6 et al. (2002), and Lynn et al. (2001). On the issue of comparative assessment of governance (the ‘what

works where, when and how' aspect), Bovens et al. (2001) provide highly relevant evaluative perspectives, though their analyses do not cover environmental issues. For an updated comprehensive survey of the traditional 'governmental' aspects of 'governance', see Peters and Pierre (2003).

7. Wayne Parsons (1995) differentiates the broad field of public policy research in terms of four major frameworks: 'meta analysis' (the analysis of the analytic process itself); 'meso analysis' (issues of defining and setting the agenda for public policy); 'decision analysis' (with a focus on how public choice is constituted and effected through decision-making); and 'delivery analysis' (the entire chain of implementation, including choice of instruments, application, evaluation, performance, revision, etc). The current study is principally oriented towards the last framework: delivery analysis. Reformulating the problematic of the study in Parsons' terms: given that the general goals and agenda of the sustainable development programme have been determined within the United Nations system (meso analysis) and that the overarching decision to pursue the programme has been made through national agreements and commitments (decision analysis), how are these commitments being followed up in practice, and what do the exigencies of the follow-up imply for the state of governance (delivery analysis)?
8. More explicitly, the view expressed here adheres to the position taken by Parsons in his comprehensive overview of public policy research: 'This book adheres to the stagist approach because, given the sheer range of frameworks and models which are available as analytical tools, we need some way in which this complexity can be reduced to a more manageable form . . . what needs to be accepted is that contemporary policy analysis is a multiframed activity. The strength of the stages approach is that it affords a rational structure within which we may consider the multiplicity . . . of reality. Each stage therefore provides a context within which we can deploy different frames' (Parsons 1995: 80).
9. The original list of 'conditions for successful policy implementation' has been re-presented and re-worked several times. The list used here is that condensed by Kjellberg and Reitan (1995). The original list reads as follows (Sabatier and Mazmanian 1979): '(1) The program is based on a sound theory relating changes in target group behaviour to the achievement of the desired end-state (objectives). (2) The statute (or other basic policy decision) contains unambiguous policy directives and structures the implementation process so as to maximize the likelihood that target groups will perform as desired. (3) The leaders of the implementing agencies possess substantial managerial and political skill and are committed to statutory goals. (4) The program is actively supported by organized constituency groups and by a few key legislators (or the chief executive) throughout the implementation process, with the courts being neutral or supportive. (5) The relative priority of statutory objectives is not significantly undermined over time by the emergence of conflicting public policies or by changes in relevant socio-economic conditions that undermine the statute's 'technical' theory or political support.'
10. A further perspective on the challenge lies in the fact that Mazmanian and Kraft (2000) have recently identified the 'sustainability challenge' as the third major generation of environmental policy implementation in the United States. Given the relatively low interest in the US for sustainable development in general (Bryner 2000), and the *very* low interest in the follow-up of UNCED in particular, this raises interesting possibilities for the 'American-European dialogue' referred to by O'Toole in the present volume.
11. In his own words: 'Both of these research programs would fit Lakatos's (1978) characterization of "progressive"; that is, they are being used by a variety of scholars and seem to be developing increasing coherence and scope' (Sabatier 1999: 264).
12. The evolution of the term is given thorough treatment in Lafferty and Langhelle 1999, Ch. 1.
13. Peter May (2003: 226-7) has identified this type of implementation problem as 'policy without publics'. He envisions two broad strategies for dealing with the phenomenon: (1) direct governmental provision of programmes without relying upon other intermediates; and (2) attempts to stimulate and mobilize publics. He has, however, little more of substance to report on the issue.
14. The notion of such an 'essentialist' model builds on the pioneering conceptual work of Carl Cohen (1971) and Robert Dahl (1970, 1979, 1989), and is further elaborated in Lafferty and Hagtvet (1984) and Lafferty (2002).

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## 2. Implementation theory and the challenge of sustainable development: the transformative role of learning

**Laurence J. O'Toole, Jr\***

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### INTRODUCTION

The study of policy implementation has gone through cycles of intense activity during the past few decades. Recently, the topic has receded somewhat from prominence, and several analysts have sought explanation and, in some cases, rejuvenation (deLeon 1999a, 1999b; Lester and Goggin 1998; Meier 1999; Schneider 1999; Winter 1999). While important gaps and shortfalls remain in the effort to develop solid theory to explain implementation action across the range of relevant contexts and cases, considerable progress has been made. Furthermore, much current scholarly effort directed at issues of 'governance' – and other themes – is directly relevant to the core question undergirding implementation research: how to explain what goes right, and wrong, between the apparent commitment on the part of a government to do something (or stop doing something) and the impact of that decision in the practical world.

A recent assessment of the state of implementation research reached cautiously optimistic conclusions (O'Toole 2000). Still, a number of gaps and challenges remain. The present investigation builds both on that earlier, moderately encouraging, analysis and also on a critical probing of some of the lacunae identified. In particular, the implementation challenge posed by the goal of sustainable development provides an effective way of doing so. Sustainable development itself is a salient objective of great importance, and considering it through the lens of implementation theory accomplishes two purposes. First, some helpful insights about sustainable development itself can be adduced; and, second, challenges and directions for the fuller development of implementation theory can be clarified.

The question of how to connect implementation research to the issues of sustainable development does not involve some mere trivial extrapolation of well-established theory to an emerging case, for at least two important reasons.

First, the field of implementation research lacks a general, valid, widely accepted core theory. And, second, for reasons explained in considerably more detail in this chapter, the task of implementing sustainable development is more challenging than the standard implementation questions that have been foci of empirical investigation. This chapter can accordingly be considered an initial foray into this complex subject.

The chapter aims to offer a preliminary set of notions regarding what can be expected from governmental efforts to implement sustainable development initiatives. The chapter begins an initial consideration of implications for practice on the part of those who desire to increase the impact of sustainable development commitments. Further, this line of analysis highlights and emphasizes the importance of researchers' developing a broader understanding of implementation issues in ways that have been largely ignored thus far.

The first section below clarifies the notion of sustainable development. The next portion sketches a brief overview of the research literature on policy implementation, with particular attention to what recent work offers for the analysis of challenges like sustainable development. Helpful implications and also gaps are identified. This section is followed by a more careful explication of the limitations of conventional implementation research, with a focus on elements that are usually omitted but seem to be crucial to the sustainable development challenge. Of particular importance, as the analysis suggests, are the issues of learning and also the legitimization of efforts to grapple with the sustainable development agenda over the longer haul. Some implications for practice are offered, and the coverage concludes with a return to the challenges the sustainable development agenda poses for theory and action.

## SUSTAINABLE DEVELOPMENT: THE CONCEPT AND THE POLICY COMMITMENT

Many debates have centred on the notion of sustainable development and how the concept is most properly interpreted.<sup>1</sup> Consideration of these in this chapter is simply sidestepped. The discussion here adopts the meaning offered by the Brundtland Commission (that is, the World Commission on Environment and Development) in 1987: sustainable development is 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (WCED 1987: 43). In this sense, as Lafferty and Meadowcroft point out, the sustainable development agenda can 'be understood as a common challenge faced by all nations. And yet it [is] also a challenge which would imply very different policies and priorities according to the developmental stage already attained' (2000: 11–12).

For governments and other social actors that seek to take seriously the objective of sustainable development, the implications of this notion are manifold. Among other things, sustainable development can entail action embracing a range of policy and related challenges. Innovative uses of price systems can be a part of the answer, as can ambitious reforms of governmental and societal decision-making to embrace a more integrative approach to problem-solving. New technology policies are also necessary, and international trade and investment need to be recrafted to serve sustainable development on a broader scale (OECD 2001a: 11). At a general level, some of the features of a commitment to sustainable development carry multiple ramifications for policy-relevant action. A few of these deserve attention.

One obvious aspect of the sustainable development agenda is its arrival at a prominent policy position (more or less prominent, depending on the governmental setting involved) as a direct result of international debate and pressure. While important domestic actors have pressed the sustainable development goal in many countries, and while numerous governments have now 'taken on', domesticated and pressed into prominence their own commitments to sustainable development as a serious objective, a pre-eminent aspect of this kind of policy is its 'outside-in' character.<sup>2</sup> The impetus toward governmental adoption in all countries has been the dynamics of international and transnational discussion, debate and pressure.

Other policy commitments have also had as a primary catalyst international pressure and development toward some variety of international regime. Still, as implementation research has demonstrated in other such cases, the outside-in dimension of policy initiatives carries implications for what can be expected in practice. When this feature is considered along with other elements, furthermore, some particularly noteworthy aspects of the sustainable development challenge during implementation come into clearer focus.

Two such related elements deserve particular mention. One is the normatively idealistic aspect of the commitment, no matter how one interprets the specifics in a particular setting. The desired future state conjured by a policy of sustainable development is, indeed, long term, dynamically changing (in terms of both tangible objectives and elements of the society and eco-setting deemed salient), and continually fuelled by normative discourse – discourse that, in turn, can both ratchet up expectations and objectives, and also reinforce and rekindle the outside-in character of the commitment. Governments themselves can lead and facilitate sustainable development in practice, as the analysis below indicates, but they are unlikely to be the controlling actor in defining its meaning. The long-term and dynamically changing aspects of sustainable development in turn signal the importance of a couple of themes that have received relatively short shrift in the implementation literature itself thus far: learning processes and long-term ('sustainable') institutions to

encourage involvement by stakeholders in relatively open-ended efforts. Accordingly, these themes receive prominent attention in this chapter.

Almost by definition, a commitment that is highly normative and idealistic is one that involves a decision to move 'toward' an ever-shifting set of targets. Absolute progress measured in outputs (even during implementation) may sometimes result in relative regress in outcomes, as the previously unknown and unexpected ramifications of policies and social actions become more demonstrable. In addition, the challenge is likely to be addressed iteratively, as elements are successfully tackled and additional dimensions move onto the more active agenda of policy-makers and implementers (see Meadowcroft 1997). This situation calls for keeping eyes on a somewhat abstract target while assembling action (and support) repeatedly – sustainably – around discrete objectives, partial achievements and currently practicable goals.

The sustainable development objective also must be undertaken in a fashion that is likely to challenge the tangible short-term interests of many organized groups, functional advocates, established interests, and classes. Even in national settings with widespread general support for the norm, such diffuse general support can easily face opposition on the particulars with a wide variety of established statuses and groups, often intensely interested. Again, these realities are likely to carry implications for implementation practice.

In part because of the explicitly normative and idealistic aspects of the sustainable development objective, and also because of the substantive meaning of it, the commitment logically entails a resolve to undertake cross-cutting policy efforts, some of which can disrupt or challenge conventional policy sub-systems (for instance Schrama 1998). Most policy initiatives are relatively restricted in scope. Sustainable development can be tackled in increments, indeed must be addressed at least partially in this fashion. But its objectives reach in many directions – toward the concrete dimensions as diverse and widespread as agriculture, international development assistance, health, energy, social policy, transport, finance and immigration (Lafferty and Meadowcroft 2000: 344). Sustainable development ramifies through virtually the whole of the substance of policy. It may call, therefore, for processes of discourse, learning and problem-solving that gradually embrace large and disparate elements of the social order; and that extend over time rather than being trapped in the occasional, episodic, and potentially incoherent spikes of the 'issue attention cycle' (Downs 1972).

The institutional implications of such a commitment involve not only a need for established and credible capacity for long-term, albeit adaptable, decision-making, but also some integrative mechanisms horizontally, across policy realms, and vertically across scales, including internationally (see Bressers and Rosenbaum 2003; Lafferty, Ch. 7, this volume). Sustainable development also requires a reach broad enough to connect all kinds of social

actors, not just governmental ones, into a web of partially integrated action. Needless to say, these are important if challenging requirements. Sustainable development is clearly not an all-or-nothing affair, and countries vary greatly in their demonstrated willingness and ability to address this set of implications. But connections of these sorts are entailed by a full embrace of the ideal.

Given the array of features sketched here, as well as the continually developing scientific knowledge regarding the requisites for sustainable development, some of the governmental efforts will be made under continuing, persistent conditions of uncertainty; circumstances that cannot be neatly resolved by another study or an additional innovation, although these are surely relevant (see Arentsen et al. 2000). Rather, progress will need to take place in the midst of some ambiguous conditions, imprecisely defined causal processes and adjusting technologies. Eventually, sustainable development is likely to depend on the institutionalization of concrete problem-solving in the midst of complexity, some of which will simply persist.

The foregoing sketch highlights several aspects of policy aimed at sustainable development, with an emphasis on elements that carry implications for implementation. In particular, the section has highlighted features that pose particular challenges for 'policy implementation' as it has been traditionally conceived by researchers. For as it turns out, the extant research scholarship tends to define implementation questions in a fashion that implicitly marginalizes some of the most intriguing and practically relevant features of the sustainable development challenge. Analyzing this issue, then, promises to shed light not only on some helpful ideas for the practice of sustainable development, but also some limitations in the research literature that should begin to receive attention from policy scholars. The next section, accordingly, turns to the field of implementation research to outline the current state of knowledge on this topic, with special attention directed toward findings that could bear upon the challenge for sustainable development.

### **Implementation Research: Relevance for Sustainable Development**

Hundreds of investigations of policy implementation have been completed during the last three decades. Although there have been disappointments, a strong case can be made that the field has explored the subject with considerable profit, and promise of more to come, although substantial challenges remain (see O'Toole 2000 for a detailed exposition). Noting points of progress provides a basis for outlining implications regarding sustainable development, even if the issues have not yet been examined systematically. Likewise, some of the limitations in the current state of the field are brought into sharper focus by a consideration of the implementation challenges of sustainable development.

In an overall assessment of the state of the research enterprise on questions of policy implementation, the situation has been summarized as follows:

- The explicit evidence is mixed. Virtually all analysts have moved past the rather sterile top-down/bottom-up dispute, and some helpful proposals for synthetic or contingent perspectives have been offered. But consensus is not close at hand, and there has been relatively little emphasis on parsimonious explanation.
- The context-dependent (and primarily American) feature of much earlier work has been exposed and theoretical efforts have become more self-consciously general, but solid cross-national investigations are still rare.
- A so-called third-generation approach to implementation research has been suggested, but relatively little such research has been stimulated by this call.
- Finally, and perhaps most importantly, the implementation problem has been reconceptualized in somewhat different fashions, and work has proceeded along a number of parallel, overlapping and highly relevant lines of research. These promise to expand knowledge about converting policy into action, even as they diffuse attention away from implementation in the narrow. Far from signalling a failure of the research enterprise, this last development provides evidence of impact and advance (O'Toole 2000: 267–8).

Indeed, as the argument of this chapter suggests, a serious analysis of the implementation challenges posed by sustainable development can further develop this last theme by encouraging a broadening of the implementation notion and a re-engagement with key themes important to a mature understanding of governance, of which the implementation topic is clearly a key part. The state of the art regarding implementation studies more generally is that of a glass half full. This view is in line with other recent research assessing the current work on implementation (Hill and Hupe 2002). Investigating sustainable development can help point the way to adding meaningfully to the contents of the glass.

What can be said about the available research on policy implementation that may be of direct relevance to those considering the implementation challenge of sustainable development? Assessments can be made under four points:

- Sustainable development is dependent upon a *meta-policy*, but researchers have yet to analyze meta-policy implementation with care.
- 'Outside-in' implementation efforts, like sustainable development, have usually been ignored in conventional approaches and frameworks.

- The predominance of cross-sectional research designs has meant a relative neglect of the longitudinal dimension, especially longer-term diachronic processes, and thus a neglect of learning during implementation.
- The challenge of combining top-down and bottom-up insights from implementation research into a coherent perspective remains, and this issue is particularly salient for understanding sustainable development.

### **Meta-policies**

As a governmental choice, sustainable development is a *meta-policy* (Johnson and Heilman 1992): a policy designed to guide the development of numerous more specific policies. Implementation researchers have paid almost no attention to meta-policies. Further, barely any scholarly attention has been paid to extremely broad policy initiatives; even planning efforts have not been much investigated with regard to implementation questions. But it is quite clear that meta-policies can be consequential, and sustainable development is a meta-policy of particularly broad and cross-cutting scope. The modal implementation study focuses on either a concrete policy adopted by one or more governmental units, or a public program – perhaps melding parts of several policy commitments – crafted initially from the top or woven into place at the bottom of the implementation chain. The studies vary greatly in policy focus – many sectors have been studied – as well as in research design. Emphasis is variously placed on (for example): large-n statistical analyses (see Meier and Keiser 1996), small-n qualitative work (Lin 2000) and individual case studies (Pressman and Wildavsky 1984). But most of these approaches are alike in restricting the kinds of policy under consideration to rather narrow and conventional initiatives, often handed to one or a few governmental agencies with primary responsibility for execution. This generalization about the scope of investigation holds virtually without exception (see O’Toole 1986 and 2000 for systematic coverage).

Given that an authoritative commitment to sustainable development means a decision to undertake a process that can embrace long-term and far-reaching objectives, implementation research thus far has little to say on the basis of clear evidence to the overall implementation question for sustainable development. The combination of the expansive nature of the commitment aimed at defining and achieving progress on multiple dimensions, on the one hand, and the tendency of implementation research to explore particularly narrow policy domains, on the other, often involves a mismatch between research subject and earlier scholarship.

### **Outside-in policies**

This does not mean, however, that the relevance of the more narrowly focused work is zero. In particular, while the ‘outside-in’ aspect of sustainable development may seem relatively unusual, there are analogues in the evolving



efforts to develop and implement international agreements, particularly regarding environmental objectives.

On this last-mentioned issue, two points are relevant. First, the world of international agreements is huge and growing. Major nations treating issues of sustainable development seriously are already insinuated into a web of governance arrangements spanning countries and continents on a very wide range of issues (O'Toole and Hanf 2002). On international environmental commitments in particular, the list is long. Multilateral initiatives of all sorts have been adopted, and in some cases implementation experience is substantial and encouraging. There is a base of empirical data, in short, on outside-in agreements.

Second, some important work has developed on the implementation aspects of these international agreements. While the extant studies are spread across cases and issues, they amount to the beginnings of an informative line of scholarship that can bear on the implementation challenge of sustainable development (Jørgens, Ch. 9, this volume; O'Toole 1998; Underdal and Hanf 2000; Victor et al. 1998; Weiss and Jacobson 1998).

Further, there have emerged the beginnings of a relatively broad analytical approach to the domestic implementation challenges arising from international agreements (see Hanf and Underdal 1998). The scholarly world has begun to mine the experience with this form of challenge, even if most implementation frameworks have not yet taken account of such contributions.

### **Cross-sectional and longitudinal studies**

Another general observation is that, with some exceptions, the systematic empirical research thus far has emphasized cross-sectional over longitudinal designs. Cross-sectional investigations can be quite revealing,<sup>3</sup> but for unpacking the dynamics of implementation efforts as they unfold, systematic longitudinal research is necessary (Scheirer and Griffith 1990). The importance of this point has long been emphasized in the research literature on implementation and policy processes generally (Goggin 1986; Sabatier 1999). A few studies have combined cross-sectional with longitudinal dimensions. These can be particularly helpful, although obviously the data demands are severe and often unrealistic (for examples, see Meier and O'Toole 2001, 2003; O'Toole and Meier 2003). Sustainable development is sufficiently recent so as to preclude thus far any systematic time series, even if measurement issues could be resolved, although initial studies have undertaken qualitative work cross-nationally with attention to the time dimension as well (Lafferty and Meadowcroft 2000).

Several scholars have called for implementation investigations across time (for instance, Goggin et al. 1990), and Sabatier in particular has argued that scholars need analysis over at least ten-year periods to begin to understand the

dynamics of policy in action (1999). Investigations of this sort clearly lie, if anywhere, in the future for the subject of sustainable development. Just as importantly, the objectives of policy in this domain are sufficiently long term (and imprecise in expectations) that such initiatives will require a much longer period to assess, let alone explain, relative success. The point can be put another way: the complex processes of adjustment, coordination, institutionalization and learning that are bound to be essential in the implementation of sustainable development can only be analyzed via considerably longer time horizons than have been typical.

In short, implementation studies generally have been weak on the longitudinal dimension, and sustainable development policy emphasizes more than virtually any other policy subject the longer-term aspects of implementation and impact. For these reasons, as well, the state of the field limits what can be said of direct relevance to the issues at hand.

### **The top-down and bottom-up distinction**

A fourth point of significance is that: no general theory of policy implementation commands general support. The development of this field has been marked by several scholarly skirmishes, most notably between so-called top-down and bottom-up perspectives on implementation. Most of these have abated, or been reasonably settled. In particular, most scholars of implementation now support the propositions that both top-down and bottom-up perspectives offer something of value in understanding and explaining implementation action, and that some combination of these is most appropriate for making sense of the complex world of policy practice.<sup>4</sup> Still, what such a synthesis should look like, exactly, has remained a matter in dispute.

Two reasons are worth attention here. One is that top-down and bottom-up perspectives offer contrasting advantages and disadvantages, depending on the purposes and research questions under consideration. If one is interested in the extent to which centrally established initiatives can make any real difference, attention to 'top-down' variables – such as mandate characteristics, the provision of resources, the establishment of overarching coordinative mechanisms and the creation of effective monitoring systems – is necessary.

On the other hand, however, if one desires to know why essentially the same central commitment is handled so differently in different contexts, or if there is no powerful 'center,' a bottom-up perspective is essential. Explaining cross-sectoral, cross-national, or cross-regional variance in implementation performance – for sustainable development or for anything else – requires attention to some of the considerations emphasized in earlier years by bottom-up scholars. This includes efforts by implementers; support or opposition from stakeholders (including 'targets'); involvement of stakeholders in the development and execution of the details of policy action; and other elements of the

implementation context, including especially the details of the field settings in which those involved in co-producing results concert action (Elmore 1979–80).

Still, for reasons explained earlier, sustainable development is properly considered not only a top-down initiative but an ‘outside-in’ stimulus as well. Part of the normative drive in societies that seriously engage sustainable development derives from this outside-in dynamic. Analyzing implementation prospects and explaining results must incorporate what research has shown about the relevance of top-down (and outside-in) influences. Accordingly, this perspective must be melded with those that seek to explain variations in performance via attention to the variables emphasized by bottom-up analysts.

This much is clear. But how to combine the relevant features of top-down and bottom-up lines of theory into an overall integrated perspective is much less straightforward. Some approaches may be particularly promising.<sup>5</sup> The bulk of studies thus far, however, have emphasized a variety of different variables, without being able to say much about just which are most important under what conditions. The consequence is a radical lack of parsimony (Goggin 1986; Meier 1999, pp. 5–6). The fact that the research literature offers relatively little validated theory, and indeed that sustainable development presents a policy challenge different from those most scrutinized up to now, means that the kind of top-down/bottom-up synthesis that is likely to be most relevant has yet to be explicated.

### **Sustaining Sustainable Development: Addressing the ‘Outside-in’ Challenge**

How might these observations bear on efforts to understand and achieve sustainable development in practice? A commitment to sustainable development presents a policy initiative driven from the outside-in, and therefore offers some of the characteristics of top-down policy – while it also embraces a substantive commitment to tasks requiring many of the features of bottom-up processes for implementation success. How to square this rather challenging circle would appear to be one of the key issues facing nations treating sustainable development policy seriously.

As suggested above, furthermore, the outside-in aspect of the impetus for sustainable development echoes that of other policy efforts fuelled through international discussion and agreement. For these, there is some relevant practical and research experience from which implications can be drawn.

Experience with international environmental policy provides a reasonable base of experience. What can be seen regarding international environmental policy is a large cluster of often outside-in policy commitments (numbering, now, in the hundreds) that have sometimes been taken very seriously by signatory

countries. In a number of cases, the extent of implementation success has been remarkable. What explains implementation success, or at least the variation in success observable across cases and countries?

One important study offers general guidance (Victor et al. 1998). In a carefully designed review of 14 studies of the implementation of different international environmental agreements, two analysts provide general conclusions. Institutional designs and consciously adaptive efforts to program implementation success into international regimes have mattered, but these efforts have been less important than ‘diffusion of environmental values, focusing events such as environmental catastrophes and economic collapse’ (Raustiala and Victor 1998: 697–8). Measurable improvements in performance and their robustness have typically been functions of the willingness and ability of advocates to use idiosyncratic events to press the issue and renegotiate commitments at more ambitious levels. This point suggests that a key point of leverage is likely to be finding a way to institutionalize influential advocates for the long-term cause of sustainable development and insinuate them into the multiple decision processes that will really matter. One way to leverage the idiosyncratic into the routine is to have governments adopt a policy of regular reviews of their own internationally relevant actions. ‘Periodic assessment of the coherence of international engagements . . . would therefore be useful’ (OECD 2001a: 53).

Further, some of the institutional specifics offered in the study by Victor, Raustiala and Skolnikoff are particularly interesting. For instance, the authors ‘expected that target group participation would provide better information on the range of possible policy options, technical feasibility, and costs and benefits – what we call “implementation expertise”. The evidence strongly supports this proposition’ (Raustiala and Victor 1998: 666).

Other research on the results of efforts to implement international agreements carries implications for understanding the prospects for sustainable development. For example, experience with the set of agreements captured by the Long-Range Transport of Air Pollutants, or LRTAP, regime indicates that a major boost to implementation performance can be provided by transparent, valid, generally accepted systems of information gathering and sharing. Under such conditions, ‘tote-board diplomacy’ can drive a virtuous cycle in which nations compete with each other to demonstrate serious commitment to action (Haas et al. 1993). LRTAP has been relatively successful, not least by virtue of the information and monitoring system established to gather and display data on compliance (see also OECD 2001b: 115–20). This kind of result is likely to be much more difficult for sustainable development, not least because the kinds of data needed to document and follow ‘progress’ are much more extensive, open to disputation, difficult to find and compare and vulnerable to strategic manipulation. Still, the lesson here is that trustworthy (perhaps multilateral?)

institutions can be charged with identifying such forms of information, validating them, and initiating means of distributing them in sufficiently authoritative fashions so as to attract attention from, and begin to influence, decision-makers within countries.

Additional sobering lessons can be noted. Here the discussion draws from a general framing of some difficulties likely to emerge in the implementation of international agreements, particularly on environmental issues, as sketched by Hanf and Underdal (1998). As these analysts suggest, several problems are likely to attend efforts to render international environmental agreements concrete and meaningful during implementation. For implementing sustainable development policy these challenges are likely to be even more imposing. Two examples may be particularly important.

First, one can expect a mismatch between the scale of some policy problems to be addressed – problems with externalities touching most other parts of the planet and many related spheres of policy – and the institutional arrangements for implementation to be mobilized domestically. This mismatch, in fact, is an aspect of the theme of institutional arrangements sketched above.

Second, as general policy commitments are translated into domestic policies, sector-specific or otherwise, into regulatory and other policy instruments, and also into budgetary commitments, the level of conflict across elements of the domestic policy system – and stakeholders – is likely to escalate. General agreement and consensus formation, no matter how elaborately choreographed, face severe challenges as the details are negotiated. Domestic tendencies in policy processes more generally are likely to dominate. Two such predilections may be mentioned. One is the common inclination to make decisions incrementally and by splitting the difference, a pattern that could vitiate coherent policy implementation for sustainable development. Another is the pattern that can be expected in nations where even environmental, not to mention sustainable development, questions find a primary locus in a relatively weak ministry by comparison to other line units, as well as key funding bureaus like a finance ministry (see Lafferty, Ch. 7, this volume).

Evidence gathered thus far is consistent with the notion that units with broad but thin coordinating responsibilities for pushing sustainable development face a steeply uphill battle over the details (for instance, Lafferty and Meadowcroft 2000). An aspect of this difficulty is highlighted well by noting the distinctively normative dimension of policy for sustainable development. When faced with competition with specific interests, groups and needs, especially those pressing in the short term, sustainable development policy must grapple with insistent tendencies for responsive governments to trim, limit and weaken the concrete manifestations of the normative commitment. Hanf and Underdal indicate there are general reasons why this dynamic often emerges

in the implementation domestically of 'outside-in' policies (1998). When such elements are combined with the heavily normative features of sustainable development policy, a commitment with such far-reaching implications horizontally and vertically, the tendencies can be expected to be magnified.

A practical implication here is that governments may need to find an approach for spearheading the commitment to sustainable development in practice through a set of processes and a pattern of institutional arrangements that offer some insulation from 'politics and practice as usual', if the policy is to have any traction. This need may be particularly strong in political systems where the balance is tipped heavily toward a shorter-term political calculus. How to insulate while also preserving accountability and responsibility is a dilemma that must be addressed for sustainable development to be implemented meaningfully.

Part of the challenge here is the tension between the more diffuse albeit real interests of the broader public, on the one hand, and the more intense and concrete perceived needs and demands of sets of minority interests, on the other. Each has a rationale in terms of democratic theory, and the implementation challenge for sustainable development pits the two at odds in a particularly severe form.

Another part of the challenge here is a collective action problem stemming from the general interest in producing a binding set of decisions over an extended period to move social processes toward more sustainable practices, even while particular interests and actors have strong incentives to seek exemption for their own cases and circumstances. Here, part of the trick is finding acceptable ways of having a polity 'bind' all to courses of action that will limit the abilities of any actors to defect from painful if necessary courses of action. This challenge is difficult albeit not unprecedented, as Elster's general analysis makes clear (1979). What renders it particularly severe for sustainable development policy is the technical need to keep numerous important issues somewhat open, to avoid binding too much, to maintain adaptability for problem-solving and learning.

## **STRETCHING IMPLEMENTATION THEORY: NEW THEMES FROM EMERGING CHALLENGES**

These are daunting challenges, but they are not insurmountable. Clearly, it would seem, better theory should improve the odds. Some analysts have argued that a fully general theory of policy implementation is an impossible and unwise goal (Hill and Hupe 2002). Others seek improvement via a shift from inductive to deductive approaches, with due accounting for the complexity of implementation circumstances (Bressers et al. 2002). Another chapter of

this volume explores one such promising approach for its potential to render sustainable development implementation more understandable (see Bressers, Ch. 10 present volume). Here, a few of the points from the foregoing assessment can be explored further. The next section concentrates on selected elements identified above that are especially salient for understanding the sustainable development implementation challenge.

### **Uncertainty, Learning and Learning Processes**

The goals of sustainable development commit a society first and foremost to serious, long-term engagement, during which continual feedback and balance can be expected as semi-permanent conditions. Under such a commitment, very specific policy objectives are likely to be arbitrary, quickly outmoded and inefficient. The situations in which policy specificity most obviously contributes to implementation success are those for which clear policy needs and short-term time horizons predominate (for instance, Montjoy and O'Toole 1979). Tying the hands of implementers to overly specific mandates, however, can impede policy-oriented problem-solving. Implementing sustainable development, accordingly, requires navigating between a focus on near-meaningless symbolic policy, on the one hand, and specific, clearly articulated policy that incorporates particular technologies and end states, on the other. The former generates little relevant action, while the latter binds the hands of implementers and others, probably generates sub-optimal results, and carries the prospect of reducing legitimacy for government and for the overall initiative during implementation.

One critical reason why the latter problem is real and salient, particularly for sustainable development policy, has to do with learning and learning processes. The sustainable development commitment, in policy terms, entails an obligation to consider myriad issues for their cross-sectoral, cross-jurisdictional, and multilayered implications for other actors and issues, and also over extended periods. This commitment embodies a decision to take into account new levels and forms of knowledge, technical and social innovations, and ever-changing bases of information as these begin to become relevant.<sup>6</sup> This set of issues represents a particularly tough challenge, in that some intended 'learning' may be negative: the incorporation of apparent new knowledge that turns out eventually to be wrong. Sustainable development in practice, then, means finding manageable ways of taking into account changing cognitive circumstances, changing empirical circumstances, and persisting uncertainties – for even as knowledge and information develop, one can expect uncertainty to be a permanent aspect of policy action.

This requirement, then, carries implications for an implementation setting where the precautionary principle is treated seriously. The precautionary principle in its strictest form guards against action that can create serious and

irreversible challenges to sustainable development, but oftentimes there are no options without risk. Even inaction in the face of dynamic circumstances can vitiating sustainability.<sup>7</sup> Managing uncertainty is a special characteristic even of more narrow environmental policy (Arentsen et al. 2000), and the circumstances of substantial and persisting uncertainty are significantly greater when governments adopt the objective of sustainable development.

As has been argued recently, among the most relevant types of uncertainties to be considered are those associated with problem definition and those connected with policy response (Arentsen et al. 2000: 598). Problem perceptions are likely to be widely divergent on issues of sustainable development – perhaps especially because of the ‘outside-in’ character of this policy to begin with. How to respond to such problems is typically a question fraught with difficulty – not least because into ‘sustainable development’ is bundled the objective of resolving a multidimensional decision problem. Given the dynamic character of policy settings, and the regular introduction of technologies, information and knowledge, the uncertainties are heightened by orders of magnitude.

In a recent analysis of this issue for environmental policy, a logic has been developed that can be introduced into the current analysis. There are two major kinds of response to these uncertainties commonly mentioned in the relevant literature: (1) trying to sort things out before taking steps (‘more science’), and (2) being cautious (incrementalism). The tentative conclusion is that both will probably prove insufficient in the face of the sustainability challenge involved with most environmental policy. Instead, it is suggested that open and learning-oriented policy systems are necessary. Decentralization, consensus building and flexibility could significantly promote this productive openness and learning. Nevertheless, this way out is not a broad avenue, but often a narrow and risky path: a set of prerequisites are important, and often ‘the devil is in the details’ of the approach to flexibility and decentralization chosen in practice. Not all forms of public management building on decentralization, consensus building and flexibility actually result in improved outcomes. Learning how to optimize circumstances for institutions to stimulate continuous learning is a major challenge for the field of policy studies (Arentsen et al. 2000: 598).

Despite its obvious importance for implementing policy in complex circumstances, learning has been largely ignored by scholars of policy implementation. In an early analysis of the research literature on implementation, the author pointed to the apparent importance of learning in implementation, plus the significance of the associated dimension of time (O’Toole 1986). In subsequent years, learning has mostly been relegated to the periphery in empirical studies of implementation, despite hints in some of the earliest work that its role should be explored with care (see, for instance, Barrett and Fudge



1981). Certain of the classic contributions mention the importance of learning (particularly Mazmanian and Sabatier 1990) but do little to advance the systematic incorporation of learning elements into the implementation agenda. This issue and the cognitive, as opposed to merely the power-related, aspects of policy choices were further developed by Sabatier (for instance 1999), albeit with little explicit attention to implementation.<sup>8</sup>

How so? This lacuna likely flows from the narrow framing of the implementation issue in typical studies, as well as from the preponderance of cross-sectional research designs. Still, Schofield (2000) has argued the importance of learning as an essential part of the challenge, even in fields much more 'knowable' than sustainable development.<sup>9</sup> Bressers et al. (2002) have emphasized the processual nature of implementation action, with those involved responding strategically to regular shifts in core variables, including information (see Bressers, Ch. 10, this volume). Haas, in particular, has analyzed the importance of social learning in conjunction with the 'management of global environmental risks' and has offered interesting lessons regarding institutional effectiveness at encouraging international learning (see the coverage of institutional issues, below; Jörgens, Ch. 9 this volume and Meadowcroft 1997).

The author's own treatment regarding issues of environmental policy focuses on encouraging a broad and rather open framing of the continual need for learning processes. To cope with uncertainties, learning is essential. For envisioning a sustainable society, 'learning our way out' may seem the only path (Milbrath, 1989). For Milbrath this learning includes a change in perspectives necessary to reframe problems in such a way that a new understanding of the relevance of information can occur (see Lundqvist, Ch. 4, this volume). For instance, a change in the dominant paradigm from a human health perspective to an ecosystems integrity perspective might lessen the need for information on the (sometimes minuscule) risks of environmentally induced cancer but increase the need for information on the interdependence of ecosystems and their habitat.

When discussing 24 cases of successful environmental policies, Jänicke and Weidner (1995) emphasize – not separate lessons to be learned about the efficacy of specific policies under various circumstances – but the underlying dimensions that support new ways of thinking about environmental problems and policies. Thus, they conclude that learning to cope with uncertainties does not simply mean gathering and processing information, but also creating institutions that provide capacity for continuous, long-term conceptual learning. These need not necessarily be organizations as specialized as Milbrath's 'systemic and futures thinking unit' (Milbrath 1989: 282). It is as important to guide environmental policy discourse toward an open exchange. Mutual trust and respect are essential, as are tactics and appeals in the public debate that empower rather than frustrate the inputs of all. These analysts emphasize the

importance of reducing moral positioning, focusing on common ground, refashioning the drama and creating new models for data disputes (including a willingness to discuss methodology).

Certainly, scientific experts or epistemic communities are enormously important in helping decision-makers to cope with the various uncertainties of environmental policy. But their desirable role should not be confined to presenting credible, timely and correct information. Epistemic communities can possess a body of integrated and stable knowledge, but there is also the risk of 'group think' that creates false certainties (cf. the nuclear energy community). The contribution of science to learning capacity needs to include open communication with other societal actors. Only in doing so can scientists assume a responsible role in the emerging 'civic society' (Arentsen et al. 2000: 608–9).

This point does not mean that government's role as regulator should be marginalized. Indeed, it can be important for government to press key targets, for instance business firms, to adopt and maintain a more learning-oriented approach to action. In addition, processes of conflict and creative modes of conflict resolution may be central to the kinds of learning that can contribute most usefully to the implementation of sustainable development (see Hanf 2002). If this analysis is correct, the implementation challenge posed by sustainable development will require analysts to devote serious attention to such issues. Another implication is that the institutionalization of such efforts for the longer haul is also a requisite of implementation success for sustainable development.

### **Institutional Arrangements**

Two additional implications follow. One has to do with institutions for implementing sustainable development, a large and complicated subject. The other is the issue of participation and broad stakeholder involvement, themes that are important in part because of the significance of consensus-building processes under conditions of high uncertainty in particular. Both subjects have been considered by implementation analysts, but not exactly in the way they assume prominence for sustainable development.

It is clear from research on policy implementation that institutional arrangements are highly significant for policy action. 'Institutions' bundles many variables into a single term. Some, like the will and skill of implementers and the managerial capacity of implementing units, are unexceptional, generally accepted by top-down and bottom-up analysts alike, and require little discussion. Others, particularly institutional complexity, have generated controversy – primarily because of the misimpression left by some early studies regarding the purported link between 'simplicity' and implementation

success.<sup>10</sup> Most implementation research, however, ignores the theme of institution building.<sup>11</sup> These issues merit attention in a consideration of the institutional challenges of sustainable development.

Bottom-up analysts have argued that under dynamic and complex circumstances, more decentralized and adaptive arrangements can facilitate the rapid adjustment and problem-solving action that policy problems often demand (for instance, Berman 1978). While institutional complexity may entail coordination costs and communication demands, it may also be the most appropriate strategic response to certain kinds of policy challenges.

Uncertainties and the requirements necessitated by the need to learn in policy settings add further strength to the arguments for institutional complexity. Haas focuses on international institutions, both as potential loci for learning and also as teachers of learning elsewhere. He notes (2000: 567) that broad and intractable issues are more difficult subjects around which to develop effective learning by such organizations. Still, for an (international) institution to learn, 'it must be able to have timely access to relatively impartial information, be able to effectively process the information internally, and be capable of converting such new ideas into new activities' (ibid.: 567). These features suggest both internal capacity and also relative independence from standard political control. As Haas puts it, 'For an institution to respond promptly to new information and to develop new programs it must also be able to act independently of the direct control of member governments' (ibid.: 567). This requisite suggests looser rather than tighter institutional arrangements, as well as a possible buffering of such institutions from the most pressing parts of the political process.

Encouraging processes of policy-oriented learning in others, furthermore, can also be accomplished by international organizations. 'To foster learning, institutions must be capable of working directly with national figures in the field as well as providing financial resources to enable others to apply the lessons, or to reward them for doing so' (ibid.: 570). These requisites also encourage some degree of institutional independence between international and national arrangements, while also connecting the two – the 'outside' and the 'inside' – together in practically useful ways.<sup>12</sup>

In their work on uncertainty and environmental policy, Arentsen, Bressers and the author also sought to sketch implications for institutional arrangements of the continuing uncertainty faced in that field. The analysis bears on the implementation of sustainable development. Mentioned, in particular were 'two implications worth emphasis', and these touch upon matters of institutional complexity as well as stakeholder involvement in decision-making – not only for building consensus but also to improve learning itself. One such implication concerns the institutional lessons to be drawn from a serious attention to flexibility and decentralization as means of enhancing openness and

learning in policy systems. The Dutch and US evidence suggests that appropriate institutional responses are not always easy to identify or design. But an initial step might be to note that recently, in both the United States and Europe, a number of policy and – especially – institutional responses consistent with efforts to expand flexibility and decentralization in policy systems have appeared. Not all of these have been developed with the express purpose of grappling more effectively with uncertainty, but all may offer lessons for how to do so.

On both sides of the Atlantic, for instance, a range of public participation and involvement efforts have been mounted. Advisory committees and inter-agency collaboration have become common. Particularly in the United States, and in somewhat different forms in several European nations, additional institutional supports for flexibility and decentralization have long been known: delegated authority, federalism and interactive policy-making and implementation are obvious instances. Further illustrations are more apparent in one place than another. One example drawn from countries like the Netherlands is ‘green planning’, including *Agenda 21* processes, which have attained widespread use.<sup>13</sup>

The other related implication is cautionary: ‘Without careful institutional management, flexibility and decentralization can catalyze or exacerbate serious problems of uncertainty. . . . The goal of developing appropriately open and learning-oriented policy systems is likely to be especially challenging in settings in which political incentives are crafted to emphasize short-term perspectives in decision-making’ (Arentsen et al. 2000: 609).

The challenge it would seem, is to tap the opportunities for institutional complexity, with the adaptiveness and openness that can accompany such arrangements, while also designing into the system appropriate mechanisms of coordination and integration (on the importance of developing this balance for sustainable development, see OECD 2001b: 106).

This task is much easier characterized than accomplished. While organization theory is highly developed for relatively straightforward tasks that can be handled via bureaucracy, such circumstances clearly do not fit the type of ‘wicked problems’ (Rittel and Webber 1973) relating to sustainable development. ‘Wickedness’ in this context does not imply either impossibly tendentious or inappropriate issues for policy to address, but designates policy challenges that ramify through several fields or sectors, by virtue of significant secondary or tertiary impacts.

The relationship between problem characteristics and institutional design is direct and important. Standard modes of organizing are acceptable so long as tasks are, in Simon’s infelicitous phrase, ‘nearly decomposable’ from each other (1965). If widely disparate activities must be regularly linked, much more encompassing institutional arrangements must be established – systems

integrating actors dispersed both vertically and horizontally, across governments, sectors, and realms of specialty. Little theoretical guidance is currently available for solving this pressing task of institutional design, although the emerging literature on governance has begun to frame some of the right questions (Lynn et al. 2001).

In this regard, Lafferty and Meadowcroft offer a speculative generalization regarding institutional arrangements for the implementation of sustainable development per se that picks up on some of the same themes. After reviewing institutional responses to this policy challenge in nine countries and the European Union, they observe:

Viewing government approaches to involving other actors in a wider context, one is led to wonder whether interactions around sustainable development may reflect a partial convergence across many of the political systems with which we are here concerned; a shift with implications for both modes of interest articulation and policy styles. In systems which have in the past been described as 'corporatist' (Norway, Sweden, Germany, the Netherlands), there has been a weakening of the exclusivity of the state/business/labour triangle; while for those traditionally dubbed 'pluralist' (Canada, UK, Australia), there has been some movement in the direction of formalizing multi-partite structures for societal inputs. (Lafferty and Meadowcroft 2000: 380)

It is clear, to be sure, that there has not been some clear institutional convergence emerging even across these countries. But the observations suggest, at a minimum, the need for a drawing together of the advantages of both pluralist and corporatist arrangements for an effective approach to the challenge of implementing sustainable development. This observation, in turn, fits the general line of analysis sketched above regarding both decentralist and also consensus-forming and consensus-integrating designs.

The coverage above indicates some learning-based reasons for tapping these design considerations during implementation. An additional rationale is connected with the involvement of stakeholders – to build consensus and also improve the kinds and levels of knowledge and competence brought to bear on making the policy commitment work.

### **Institutional Arrangements for Participatory Learning: An Example**

The challenges of implementing sustainable development are significant, and the past few sub-sections have emphasized interrelated dimensions that stipulate some critical elements of success, even if these have not been much addressed in the research literature on policy implementation. Among these are continuous learning, in broad social forums rather than merely on technical details among experts; and institutional arrangements to move problem-solving along practical paths while also facilitating such learning among

diverse stakeholders in adaptive decision-making. These features are mutually supportive, even if they are marginal themes in the scholarship on the implementation of public programs.

Beyond this, what particular kinds of learning-oriented approaches and arrangements are likely to be helpful? In general, long-term arrangements are needed (OECD 2001a: 105) to expand the levels of the feasible as regards sustainable development. How might this task be undertaken? Experience and wisdom on this topic are just developing. Still, some innovations offer suggestive notions about how to combine these design requirements into a practical conception for sustainable development.

One interesting example can be sketched. A group of researchers in the Netherlands has developed the notion of 'transition management': a process-oriented approach framed explicitly around the challenge of building coherent longer-term fundamental change when uncertainty and complexity are inevitably central (Rotmans et al. 2001; Verspagen et al. 2002). Rotmans and colleagues use the concrete issue of moving to a low-emission energy supply as the context in which they have initially outlined their notions. They define transition management as 'a deliberate, collective attempt to explore and bring about a transformation in a functional domain (such as energy supply or food production) in a gradual, forward-looking and reflexive way, using a participatory approach' (2000: 2).

A number of key themes are emphasized. The focus is on socio-technical transformations that involve gradual structural changes to society or a complex sub-system, where the dynamics reverberate across specialties and are multilevel, and where the time frame is at least a generation. Using dynamic systems models, Rotmans et al. emphasize learning as central in the management of transitions. This involves learning 'as you go along and using what you have learned in the future' (2000: 3), including through the use of scenarios that incorporate images of the future as envisioned by disparate actors, not merely the government. Their approach confronts the implicit tension between short-term and long-term thinking in a structured fashion. Scenarios encourage the contextualization of short-term policy with reference to the long-term goals to develop sensible intermediate objectives. Longer-term thinking, in other words, is used as a very concrete way of evaluating short-term decision-making. Options are kept open, and solutions for transition requirements are sought at the appropriate scale, thus necessitating the invocation of multiple levels in many situations.

The process of managing such transitions, they argue, must necessarily be iterative, and in these multiple rounds of structured deliberation, highly participatory approaches are invoked.<sup>14</sup> Part of the point is to establish sensible approaches for identifying additional policy instruments and also institutional arrangements that can help during implementation. Government can be critical

in its facilitative role here, including in efforts to help clarify potentially productive roles for businesses and markets. Interestingly, the particulars of the governmental role, as conceived by Rotmans and colleagues, vary substantially in the different phases of transitions. Whereas in the development phase, ‘the emphasis lies on keeping the playing field open, organizing inspiring discussions with social actors, and the strategic stimulation of niches (which can be technological options, but also small-scale experiments to do with lifestyle or experiments with new institutions . . .), in the take-off phase, it is important to mobilize the actors in the direction of the collectively formulated transition goal’ (Rotmans et al. 2000: 5). The transition management illustration developed most completely focuses on low-emission energy supply, an ambitious long-term goal that is one of many potential objectives in a broader agenda for sustainable development. One implication is that in the iterative and partially overlapping set of transitions needed as part of the broader effort, government may need to undertake quite different tasks not only at different times but also simultaneously. The transition-management responsibilities of pressing for openness and stimulating niches, which call for particular styles of managerial action as well as policy tools, may need to take place while mobilizing actors in a strategically formulated direction is another part of the governmental task played out elsewhere in the policy-and-action landscape.

One implication is that ‘government’, particularly those portions with lead responsibilities for the sustainable development challenge, may need the capacity to undertake successfully very different transition-management tasks. Another is that there are meta-managerial challenges ahead, as governments try to weave different transitions, staged and developed at different intervals and among different participants, together into a mutually supportive whole. Implementation researchers have noted that the grand scale of a policy challenge can sometimes help in generating attention and congealing interest; the logic of transition management suggests the need for governments to deal carefully with how the components can be buffered from each other while integrated into a sensible overall design.

Some of the issues sketched in this brief outline are taken up directly in the Fourth Dutch National Environmental Policy Plan (NEPP4 2001), which incorporates the idea of transition management explicitly into the challenge of sustainable development, though at this stage in a relatively general and ambiguous fashion. Another implication, in turn, is that national settings where policy-makers are not accustomed to planning for long-term policy objectives, like the United States, can be expected to encounter severe difficulties in mobilizing institutions and ideas on behalf of such transitions.

## SUSTAINABLE DEVELOPMENT AND THE TRANSFORMATION OF IMPLEMENTATION RESEARCH AND GOVERNANCE

The preceding coverage addresses some general features pertaining to most countries dealing with the sustainable development agenda. A final aspect worth attention focuses on a subset of the relevant national contexts, primarily in the Anglo-American world. These countries confront particularly tough implementation tasks. Ironically (or perhaps not) they are also the sites containing the largest concentration of implementation researchers. The challenge of sustainable development poses especially significant challenges to both theory and practice in these settings.

First of all, if the preceding discussion is valid, the distinctiveness of the sustainable development policy challenge carries import for implementation research and theory, particularly as understood by Anglo-American scholars. More ambitious and well-designed scholarship – work built around designs explicitly incorporating multiple levels of analysis and diachronic approaches – is required. Learning, and institutions for learning, need to be brought squarely into the centre of the models and empirical inquiries developed around such questions. These elements in and of themselves call for a reappraisal of the conventional wisdom regarding how to think about policy implementation and how to investigate it systematically.

Perhaps more fundamentally, the outside-in and normative aspects of the sustainable development challenge call for implementation scholars to re-examine the very notion of ‘policy’ or ‘mandate’ and its role in an implementation scheme. ‘Bringing Rio (or Johannesburg) home’ in scholarship entails a critical review of whether and when national policy commitments and actions can be conceptualized as products of insular debate and decision. The causal channels of implementation action from international forums to the street level necessarily entail different paths, and likely different variables, than are visible in the extant models available in the dominant research literature (see, by comparison, Sabatier 1999). In short, Anglo-American implementation scholars have generally replicated in research some of the narrowing features of their governments’ relatively closed and protective approaches to implementation practice regarding sustainable development.

This chapter has argued, in essence, that there has been an inattentiveness thus far to a set of research themes in the serious study of policy implementation. The bulk of the research has also been generated in Anglo-American contexts, with some exceptions (mostly Northern European). In the US, in particular, these features of scholarship echo in certain senses the practices of government itself, particularly the dominance of short-term approaches,



unilateralist perspectives, and narrow, domestically driven agendas. US approaches to implementation studies have been influential in research, but there the emphasis on explanation rather than improving practical governance (see O'Toole 2004) both represents a difference from some prominent work in Europe and also tends to reinforce the limitations of such work for practical issues on the horizon.

Short-term snapshots of implementation action can be useful, and multi-variate cross-sectional analyses of complex implementation situations have revealed much. More of these investigations can surely add value; indeed, they are needed. But they cannot address every key issue, just as go-it-alone approaches to the challenge of sustainable development in practice inevitably face problems. The approach to studying policy implementation popularized in the US – one that ignores learning, institution building, outside-in influences, multi-path causality, new processes of engagement and diachronic dynamics – assumes high fixedness in the technologies, assumptions, social settings and desired objectives of policy efforts. But sustainable development is aimed, in part, at finding ways of turning some of these constants into variables subject to some conscious and deliberative design. The ideas and research designs that dominate much of the implementation-focused scholarly work are therefore poorly matched to the special challenges of understanding sustainable development.

It is important for the full community of implementation scholars – including American scholars – to begin to engage the themes underdeveloped in their research literature to date, and addressing these is also absolutely critical to an understanding and improvement of sustainable development in practice. In the US, it is possible for researchers to explain the 'American approach' to sustainable development via the currently developed research tools of the implementation trade, because the American approach has amounted, in effect, to a general failure to engage the issue in any serious way. But this is not so elsewhere. A transformative role of learning, ironically, might be to catalyze a recognition by implementation researchers beyond the US that sustainable development action in several countries can begin to provide the raw material for revision and reinvigoration of implementation theory itself.

The European contributions regarding implementation, of course, go far beyond research (see Bomberg, Ch. 3, this volume). One of the biggest challenges for actually implementing sustainable development, given the outside-in and ambitious global-normative goals, is that the 'bringing Rio home' perspective poses rather fundamental challenges to the more-or-less standardized (and underlying) model of implementation that dominates the Anglo-American discourse on policy action. Conceptualizing the policy process as incorporating outside-in drivers, as embracing some open-endedly normative commitments, and as explicitly linked to global policy dynamics – these are

elements and themes that the Anglo-American world in particular has generally resisted. Accepting the idea as a *meta-policy* frame for a whole range of domestic policy responses and implementation actions – this is a notion that remains, in effect, ‘foreign’. National refusal to accept the outside-in and normative guiding premises of the sustainable development challenge places limits upon the potential for reformulating, and learning from, policy understandings and debates. In these respects, implementation practice – particularly in the United States – represents a truncated and inertial approach. Given the massive governance demands associated with sustainable development worldwide, therefore, successful learning for the management of sustainable development will require a general recognition that in practice as well as in theory, Europe has much to teach the Americans.

## NOTES

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1. This point itself is clear evidence for the explicitly normative and often abstract, if contestable, ideals at the centre of such discussions. For the relevance of this point to practical issues of implementation, see below.
  2. See Lafferty and Meadowcroft (2000) for analyses of efforts along these lines in nine countries and the European Union.
  3. That is, studies comparing multiple cases at a single point in time.
  4. See here, for example, Bressers and Ringeling 1989; Goggin et al. 1990; Matland 1995; O’Toole 1986; Sabatier 1986; Stoker 1991.
  5. See, for instance, Goggin et al. 1990; Stoker 1991; and especially Bressers, Ch. 10, this volume.
  6. For a thorough discussion of types of learning and their relevance to sustainable development, see Meadowcroft (1997).
  7. The Kyoto Protocol serves as an instance here. An effective response to those urging inaction on global climate change is that the best knowable action achievable now always trumps delay, since holding to the status quo can entail irreversible long-term impacts.
  8. Important research documenting policy-oriented learning over time has been conducted, of course, including the influential work on epistemic communities (see especially Haas 1992). Such contributions, however, have not typically focused clearly on implementation.
  9. Some of Schofield’s work has emphasized the importance of learning among front-line implementers, and the conditions under which such processes can catalyze learning further up the governance system. She also draws from the extensive research on learning conducted by specialists on organizations.
  10. Some well-known top-down analyses have argued that complexity in implementing institutions and processes spells doom for implementation success. ‘Keep it simple’ was the straightforward injunction offered by Pressman and Wildavsky (1984), although even they recognized that there were good reasons why implementation arrangements were unlikely to be kept simple. Indeed, the ‘causes’ of institutional complexity are myriad and virtually impossible to eliminate in contemporary policy settings (O’Toole 1997). The issue is not really whether to opt for complexity, but rather whether complexity offers opportunities for sensible responses during implementation. Bowen (1982), in particular, has demonstrated that the argument against complexity overlooks a host of agreement-generating and consensus-formation dynamics. O’Toole and Montjoy (1984), furthermore, have pointed out that

the sheer number of actors and decision points is secondary to their structure of interdependence.

11. This is not to say that institutional themes have been unimportant in recent social science – for instance in the influential work by March and Olsen (1989), as well as Ostrom (for instance 1998). These efforts, however, have tended to remain relatively disconnected with the research on policy implementation.
12. For the importance of this issue for sustainable development, see OECD 2001b: 111–20; 2002: 43.
13. See the chapters by Frans Coenen on ‘Local Agenda 21’ in the Netherlands in Lafferty 1999 and 2002.
14. On this point see also Coenen 2001; OECD 2001b: 103–5. For a more thorough analysis of how ‘democratic parameters’ link with the demands of sustainable development, see Lafferty and Meadowcroft 1996; Lafferty 2000.

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### 3. Adapting form to function?: from economic to sustainable development governance in the European Union

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The European Union (EU) is both commended as a leading advocate of sustainable development and condemned for its failure to deliver on its commitments and promises. Both views could draw on substantial empirical evidence. The EU's tremendously complex structures and processes make conclusive or straightforward assessments difficult. Nonetheless, a close examination of the EU's engagement with sustainable development is worth the effort. First, the EU's actions will shape fundamentally the pace and form of sustainable development implementation at the European and global level. The EU's consumption of goods and emissions of harmful pollutants is second only to the US. Its share of world trade in goods and services is over 20 per cent. It is the largest trader with, and donor to, developing countries. More generally, the EU's unique governance structure and operation (or, its 'form and function') offer insights into what structures, processes and mechanisms might hinder the implementation of sustainable development goals, and which may facilitate it. This latter dimension is the primary focus of the present chapter. It identifies what is particular and unique about the EU's engagement with sustainable development, and what lessons can be drawn from that engagement.

The preceding chapters have outlined what makes implementation of sustainable development different from, and more demanding than, the implementation of other policy areas. These include the holistic and interdependent character of sustainable development; its explicitly normative dimension; its 'outside-in' formulation; and its inherent trade-offs between efficiency, democracy and effectiveness. In short, implementation of sustainable development poses fundamentally different challenges to policy-makers and citizens. This chapter assumes that sustainable development implementation will require not just new policies but new modes of *governance*. Here, governance refers to established patterns of rules and norms steering a polity in a stipulated direction. It implies the incorporation of norms, practices and mechanisms that would enable a community to be governed even without a government or ruler.

The EU already has in place a form of governance. It is an experimental, multilevel, regional governance system developed to encompass deep and institutionalized cooperation amongst sovereign member states. But it functions primarily as a system of *economic governance* developed and designed to pursue and implement goals of market liberalization and free trade. The vast majority of its policies are linked directly or indirectly to building, promoting or cushioning markets. Its governing rules and norms are concerned with removing barriers to trade, regulating markets and policing competition. Above all, it works to coordinate the economies of the EU with the goal of expanding trade and economic growth. To achieve these ends it has established institutionalized procedural norms of interstate and inter-institutional compromise, cooperation, bargaining and consensus. As a system of economic governance it has been enormously successful (with the notable exception of agriculture) in encouraging supranational collaboration to achieve goals of market liberalization. Can this entrenched system of economic governance, privileging expanded markets and economic growth, ever allow for wider and more demanding functions, including those mandated by sustainable development? Can, in short, the form of governance in the EU be adapted to the function of achieving sustainable development?

While initially concerned with the market, the EU's structures of economic governance already have evolved to include wider tasks, including social rights and – more notably – environmental protection. Hundreds of pieces of environmental-related legislation have been decided at the EU level, as well as numerous action programmes, strategies and goals for the protection of the environment. The impact of this routinized, institutionalized environmental decision-making on the distribution of political authority within Europe is so profound that recent analysis posits the development of 'environmental governance' in the EU: an institutionalized system of rule-making involving the existence of policy principles and a set of norms and practices within which organizational actors function (Weale et al. 2000).

The development of environmental governance is significant not least because it illustrates how more narrow notions of economic governance can expand and evolve. But the functional demands of sustainable development are fundamentally unique and challenging, far outstripping demands of economic and environmental policy. Given sustainable development's expansive and ambitious agenda for change, what would be required to realize a system of *governance for sustainable development*? That is, a set of institutionalized patterns (principles, norms, practices, mechanisms) for formulating and realizing sustainable development policy and goals?

The analysis presented here suggests that such a system would need to incorporate a different and more demanding set of components than those



*Table 3.1 Alternative modes of governance in the European Union*

Components	Governance for economic growth	Governance for sustainable development
Recognition/ awareness of:	the benefits of market integration and expanding economic growth	the unique challenges of sustainable development
Broad strategies for:	freeing up trade (Single European Market project)	achieving sustainable development (SDS, EAPs)
Key principles and procedural norms	Market liberalization; mutual recognition; supranational cooperation; bargaining and compromise; consensus	Policy integration; decoupling; environmental effectiveness; international cooperation; accountability and transparency; inter-generational justice
Steering mechanisms	Multilevel coordination; regulatory and some non-regulatory tools; policy learning	Multilevel coordination; non-regulatory tools; policy learning

related to environmental or economic governance (see Table 3.1). A preliminary list of such elements would include:

- recognition/awareness of sustainable development issues and problems (and not just of environmental issues);
- strategies for achieving sustainable development;
- institutionalization of operating norms and principles underpinning sustainable development (such as integration, environmental efficiency, accountability and so on);
- steering mechanisms for directing change towards stated sustainable development goals.

The chapter examines to what extent the EU has elevated sustainable development from a discrete set of economic, environmental and related policies to a system of governance for sustainable development. It begins with a brief overview of the EU's engagement with sustainable development. In Section 2 the EU's key policy actors are examined to determine the extent to which key norms and principles of sustainable development have been institutionalized.

Section 3 introduces key steering mechanisms of sustainable governance, including multilevel coordination, non-regulatory tools, and policy learning. The conclusion assesses how far the EU has come in realizing and operating a system of governance for sustainable development.

## THE EVOLUTION OF SUSTAINABLE DEVELOPMENT IN THE EU

The concept of sustainable development has not been defined consistently in EU treaties or documents, but it is still possible to trace a growing recognition of sustainable development goals, and the explication of strategies to achieve them. The growing recognition of sustainable development is reflected in Environmental Action Programmes (EAPs), Commission White Papers, European Council Conclusions, legislative proposals and treaty reform. This section provides an overview of the several milestones or historic occasions where sustainable development goals and strategies were addressed by EU leaders and institutions (see Table 3.2).

The EU's early treaties spoke of the need for 'harmonious development' (Treaty of Rome, 1957), the need for 'prudent and rational utilisation of resources' (Single European Act, 1986), or 'sustainable and non-inflationary growth' (Treaty on European Union, 1991), but little attention was given to the posited core of the sustainable development programme: a 'need for achieving a better balance between "ecological, social and economic" aspects of welfare provision' (see Lafferty, Ch. 7, this volume: 64). A deeper awareness was signalled by the EU's Fifth Environmental Action Programme (EAP), which, borrowing from Brundtland, defined sustainable development as 'continued economic and social development without detriment to the environment and natural resources' (CEC 1992). This recognition in soft law was given formal treaty status in Article 6 of the 1997 Amsterdam Treaty, which stipulates that 'environmental protection requirements must be integrated into the definition and implementation of Community policies . . . in particular with a view to promoting sustainable development'.<sup>1</sup>

The central notion of integration was fleshed out considerably at the Cardiff European Council meeting in 1998. Building on an earlier Swedish proposal, European leaders at Cardiff launched what became known as the 'Cardiff Process', which requires the Council of Ministers in all its formations (for example, fisheries, transport, agriculture) to integrate environmental and sustainable development objectives into their respective policy areas. Heads of state and government reinforced their commitment at the Helsinki Summit in 1999 when they asked the Commission to propose a European 'Sustainable Development Strategy' (SDS). The Commission obliged in May 2001 by issuing a

*Table 3.2 Recognition of sustainable development in the European Union: recent milestones\**

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1998

European Council, Cardiff, launches ‘Cardiff Process’ on policy integration

1999

European Council, Helsinki, asks Commission to propose European SDS  
Amsterdam Treaty (Article 6): sustainable development becomes a legal objective of the EU

2000

European Council, Lisbon launches ‘Lisbon Process’ on innovation, economic growth and social inclusion

2001

Commission releases Sustainable Development Strategy (SDS)  
European Council, Gothenburg sets out sustainable development principles, priorities, objectives, targets; accepts Commission’s SDS  
Commission releases Sixth EAP ‘Environment 2010: Our Future, Our Choice’

2002

Commission Communication ‘Towards a Global Partnership for Sustainable Development’  
Commission Report on ‘The Lisbon Strategy – Making Change Happen’  
European Council, Barcelona: annual review of progress made  
European Council, Seville, commitment to successful outcome at WSSD  
Johannesburg World Summit on Sustainability (WSSD) (Rio + 10)

2003

Convention on the Future of Europe presents draft constitution. Sustainable development retains status as objective of the European Union (Article III-4)

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*Note:* \*For earlier developments see Baker 2000.

Communication (CEC 2001c) that outlined some overwhelming ‘challenges to sustainability’;<sup>2</sup> set out key principles for sustainable development, established priorities and offered concrete objectives and targets. In 2001 the Commission also released the Sixth Environmental Action Programme (‘Environment 2010: Our Future, Our Choice’) due to run to 2010. The document set out key substantive priorities (including climate change, environment and public health) but was less ambitious than the Fifth in setting actual targets, timetables or specific legislative proposals (CEC 2001a).

Perhaps the most robust demonstration of leaders' recognition and development of strategic goals occurred at the Gothenburg Summit in June 2001. The summit's agenda featured environmental objectives and sustainable development more prominently than any previous summit. Symbolically and strategically Gothenburg was significant because it signalled a shift – at least in discourse – from the language of economic governance (market and economic growth) to sustainable development. The summit's written Conclusions stressed the importance of 'decoupling economic growth from resource use' and formally recognized the key sustainable development notion that the 'economic, social and environmental effects of all policies should be examined in a coordinated way and taken into account in decision-making' (European Council 2001). Pursuing this principle, leaders at Gothenburg agreed to widen the EU's existing commitment to promote socio-economic goals (the Lisbon Process)<sup>3</sup> to one promoting sustainable development. Moreover, by accepting the Commission's Sustainable Development Strategy, Gothenburg also marked the first time leaders committed themselves to a specific strategy for achieving sustainable development objectives as well as mechanisms to monitor those goals.

Finally, the external dimension of the Union's sustainable development role was strengthened as the European Council invited the Commission to consider the contribution of the EU to global sustainable development and to identify strategic components for a 'Global Deal' at the Johannesburg World Summit on Sustainable Development (WSSD) in 2002. In response, the Commission released in February 2002 its Communication, 'Towards a Global Partnership for Sustainable Development' (CEC 2002). European leaders were quick to point out the progress achieved at Gothenburg, and even more sceptical observers such as environmental NGOs considered Gothenburg a 'big step' because environmental concerns were 'at least formally put at the same level as the social and economic goals of the Union' (EEB 2002).

The EU's commitment to a 'successful outcome' at the WSSD (even if success was not defined) was reaffirmed at the Seville Summit in June 2002. A leadership role for the EU at Johannesburg became all the more likely with the forfeiture of such a role by the US. The EU's delegation to the summit was huge, including two Commissioners and the Commission President, ample staff, plus nearly 100 Members of the European Parliament (MEPs). (The Green/regionalist group alone sent 19 members, nearly half their entire group.) The commitment voiced by its major actors was vigorous. The Environment Commissioner, for instance, insisted that: 'The EU is committed to sustainable development. We are trying to practise what we preach, by developing new ways of making economic, social and environmental policy work together, decoupling economic growth and environmental degradation' (in *European Voice*, 1 Aug 2002: 16). No radical initiatives were agreed at Johannesburg,

and the Commission regretted a lack of progress made in certain areas. But it applauded (and took credit for) the agreed commitments to increased development assistance, 'good governance' and a better protection of the environment (see its assessment at: <http://europa.eu.int/comm/environment/wssd>).

The EU's awareness and recognition of sustainable development is remarkable in several respects. First, in comparative perspective (Lafferty and Meadowcroft 2000) the EU's embrace of the issue goes well beyond that of several of its own member states, many third nations and other international organizations. It is also remarkable, given sustainable development's 'considerable lack of clarity and consensus as to both ends and means' (Lafferty, Ch. 1, this volume) that agreement on the basic importance and contours of sustainable development has been achieved among 15 diverse nations. It is thus not too rash to argue that the initial criteria of sustainable development governance – awareness of policy challenges and strategies to achieve them – are more or less met in the EU.

Yet both the EU's awareness and strategies are limited in several respects and these limitations have implications for the implementation of sustainable development. First, the documents discussed above feature much about integrating environmental objectives into economic and social concerns, but less about *prioritizing* them which, according to Lafferty (Ch. 7, this volume), constitutes a core assumption of successful sustainable development. Thus, a key difference between a system of economic governance 'tweaked' to address sustainable development, and a system of governance *for* sustainable development has not been bridged, not even in rhetoric. In particular, and to be expected from an institution whose founding purpose was the creation of a common market, the strategies outlined in the documents above often reflect a desire to, wherever possible, address environmental degradation through economic means and, often, economic growth. The order of priorities is apparent in the Commission's Communication 'Towards a Global Partnership', which sets out the EU contribution to global sustainable development (CEC 2002). The document emphasizes that 'market forces can be harnessed to maintain and increase growth and to create jobs, while preserving the environment for future generations and strengthening social cohesion' (CEC 2002: 5). One finds little recognition here of the potential conflict between increased trade and sustainability.

Secondly, the formal recognition of sustainable development in the EU treaties is neither permanent nor unassailable. To illustrate: in October 2002 the Convention on the Future of Europe headed by Giscard d'Estaing issued a first draft of recommendations to be considered by EU leaders at the 2003 Intergovernmental Conference. The convention's recommendations contained the blueprint of a constitution for Europe to replace the existing treaties. In contrast to the Amsterdam Treaty – in which sustainable development is an explicit

objective – the initial draft constitution omitted any mention of sustainable development or the principle of environmental policy integration. After furious lobbying and protest from NGOs, certain member states and the Environment Council, the final draft, issued in June 2003, restored the status of sustainable development as one of the Union's objectives.<sup>4</sup> It also maintained the principle of environmental policy integration. But sustainable development was not given the prominent position (or separate Article) it had enjoyed in the Amsterdam Treaty. Instead it was listed as one of several principles meant to guide the 'policies and functioning of the Union' (Part III of the new constitution). Environmental NGOs felt compelled to 'fight to ensure that this new place will lead to more and not less respect for this important principle in the EU's daily practice' (Green 8, Press Release, 16 June 2003). Of course the blueprint contains recommendations only – actual treaty change can only occur with the agreement of all member states after gruelling negotiations. But the point remains that any progress made in treaty reform, such as explicit mention of sustainable development or environmental integration, can be lost as well as gained in the EU's on-going process of treaty revision.

Thirdly, and more generally, it is important to review the much-noted gap between declared sustainable development objectives and outcomes. So far the gap between stated objectives and implemented policies remains wide and well documented.<sup>5</sup> The gap suggests that for sustainable development implementation to occur it is not enough that principles are recognized, goals set and strategies developed. The next section analyses further components required to achieve sustainable development governance.

## SUSTAINABLE DEVELOPMENT PRINCIPLES AND EU POLICY

Successful implementation of any policy requires the operation of procedures, norms and mechanisms for carrying through the stipulated goals and strategies. Governance means that there exists an institutionalized set of principles, rules and norms within which actors function (Weale et al. 2000: 1). The EU's system of economic governance, for instance, has developed key norms (market liberalization), key operating principles (mutual recognition), and procedural norms (compromise and consensus) (see Table 3.1). In the case of sustainable development, these operating norms and principles are more demanding and wide ranging, but less well established. Their uneven adoption by policy-makers in the EU goes some way towards explaining the rift between awareness and strategies on the one hand, and implementation of sustainable development on the other.

The key norms and principles of sustainable development (listed in Table 3.3)

Table 3.3 Sustainable development principles and EU institutions

Principles	European Council	European Commission		Council of Ministers		EP	EEA	ECJ
		Env	Other	Env	Other			
Policy integration	partial	yes	no	yes	no	yes	yes	yes
Cost-effectiveness	yes	partial	yes	no	partial	no	–	no
Environmental efficiency	no	yes	no	yes	no	yes	yes	–
Precaution	partial	yes	yes	yes	partial	yes	yes	partial
Accountability	no	partial	partial	no	no	yes	yes	–
Transparency	no	partial	partial	no	no	yes	yes	–
International cooperation	yes	yes	yes	yes	yes	partial	yes	–
Long-term planning	yes	yes	yes	yes	no	partial	yes	–
Social justice	–	partial	no	yes	–	yes	no	no
Inter-generational justice	–	yes	no	yes	–	–	–	–

Note: Yes: internalized in institutional practice; partial: sometimes/partially internalized; no: not internalized or addressed; – not assessed.

encompass ‘substantive’ or policy-specific principles such as policy integration, decoupling, cost-effectiveness and environmental effectiveness. But sustainable development also rests on procedural principles referring to how policies should be made and delivered. These procedural principles include long-term planning horizons, precaution, international cooperation, transparency and accountability (Lafferty, Ch. 7, this volume; see OECD 2001a: 6). Finally, inherent in sustainable development are normative principles such as social and inter-generational justice. The extent to which these principles are embraced by EU actors varies across and within institutions, as is reflected in Table 3.3. This section examines each of the EU’s key institutions and policy actors, highlighting their varying (and often selective) acceptance of key sustainable development principles.<sup>6</sup>

### European Council (Summits)

When heads of government and state meet in European Council meetings (summits), their common declarations are often interpreted by the media, academics and analysts as the ‘EU view’ on issues such as sustainable development. For good reason. Over the years the European Council has climbed to the top of the EU’s decision-making hierarchy and is now a major agenda-setter. It is both remarkable and significant that goals of sustainable development have been addressed and publicized at this highest tier of EU decision-making. While notoriously lax in upholding *transparency* or *accountability*,<sup>7</sup> the European Council has paid significant attention to key principles such as *integration* (Cardiff Process), *international cooperation* (world summits) and *cost-effectiveness*. The embrace of sustainable development has also served the European Council well. It has provided a highly visible and salient issue demanding common action, but which is abstract enough to be amenable to inter-governmental agreement. Above all, sustainable development has allowed leaders to offer political leadership on an issue that, in its abstract form, few could be against.

But the European Council is also an increasingly overburdened body, which meets only a few times a year and pays little attention to the institutional or operational details of its commitments or strategies (Schouttheete 2002). Nor is it in any significant way involved in the implementation of the goals and strategies it pronounces in summit declarations. To illustrate – at the Gothenburg Summit EU leaders delegated to the Council of Ministers the ‘arrangements for implementing’ the sustainable development strategy agreed, while inviting member states to draw up parallel structures. The European Council’s lack of ‘follow-up’ means that the commitment to principles may be acted upon by other actors, but is often contingent on the willingness or priorities of the member state who happens to hold the presidency of the Council at the time.<sup>8</sup>



The principles of accountability and transparency, for instance, featured prominently during the Finnish and Swedish presidencies, but were virtually absent under subsequent presidencies. Under the Spanish presidency, the Barcelona Summit of March 2002 was expected to provide leaders with the opportunity to take stock of progress in implementing the SDS and was heralded just days before by the Executive Director of the EEA as ‘an historic occasion’ (EEA, Press Release, 13 March 2002). Yet the Spanish presidency sidelined the issue of sustainable development and instead dedicated the summit to making the Union the ‘world’s most competitive economy’ (see Aguilar Fernández, Ch. 5, this volume). In 2003, sustainable development was entirely absent from the Greek presidency, even before the issue of Iraq and use of force sidelined most other Council agenda items. Clearly, different presidencies and summits will continue to prioritize different issues. It is thus difficult to discern institutionalized or routinized norms related to sustainable development because the European Council’s engagement has proved to be fleeting and inconsistent.

## Commission

The Commission – or at least several of its constituent parts – is probably the most advanced institution in terms of ‘internalizing’ many of the key norms of sustainable development such as *policy integration*, *precaution*, *transparency* and *accountability*. Baker (2000: 334) goes so far as to argue that ‘sustainable development is increasingly becoming an organizing theme for policy’, although this assessment probably refers more accurately to certain departments (or directorates) within the Commission rather than to the institution as a whole.

The Commission drafts and designs white papers, action plans and subsequent policies. While acting on the lead of the European Council, the flexibility of the Commission to shape the tone and details of proposals is immense. For instance, the Commission, not ministers, has drafted the different sectoral Council ‘Cardiff Process’ reports, outlining the Council’s strategy to incorporate environmental concerns into its area of responsibility. The Commission has seized on sustainable development (especially its relation to governance) as an area in which it can play an active role and steer policy. Sustainable development represents an area of ‘task expansion’ the Commission is keen to exploit (see Zito 1999). Its engagement is also due to several active entrepreneurs within the institution who share a keen interest in sustainable development. Most of these are found in DG (Directorate General) Environment, but several also dwell elsewhere, including in the President’s own inner circle.<sup>9</sup>

This combination of factors has allowed several key principles to become firmly established in parts of the Commission. DG Environment has been at

the front of efforts to push *integration* as a key (perhaps *the* key) substantive principle of sustainable development. Most of its strategic documents outlined above as well as its legislative proposals highlight the need to integrate environmental concerns into other areas. An example is the Commission's initiative (first flagged in the SDS) to ensure that all major policy proposals from the Commission include a sustainability impact assessment (SIA) covering their potential economic, social and environmental consequences. SIAs will also cover all new trade proposals.

The Sixth EAP provides another case in point. While criticized for not providing enough legislative targets and proposals, the document is primarily concerned with process and procedural aims, or what Environment Commissioner Margo Wallström has called the three 'i's: implementation; integration (integrating environmental concerns into other sectors); and information (more accessible information and closer relations with business and consumers). As Wallström (2002: 3) has stressed: 'We cannot keep coming back from world gatherings with impressive commitments and fine words that we then leave in the corner of our offices to gather dust. Our implementation deficit will quickly turn into a credibility gap'.

Procedural norms of sustainable development have been the concern of the wider Commission. The whole idea of 'governance' has become central to the Commission's preoccupation with 'bringing Europe closer to the people'. In 2001 the Commission published its European Governance White Paper, which aims to improve EU governance or 'the rules, processes and behaviour that affect the way in which powers are exercised at European level' (CEC 2001b). The Commission's understanding of governance took on board many of the procedural norms at the core of sustainable development including '*openness, participation and accountability*' as well as *effectiveness* and *coherence* (CEC 2001b). Not all of these principles are consistently applied. The Governance White Paper was the subject of extensive dialogue, but many of the Commission's other reports are the result of rather less 'openness and participation'. Preparation of its Communication on the global dimension of sustainable development (in 2002) was roundly criticized by environmental groups and the Parliament for its 'inaccessibility'. Released only a month before it was to be presented to leaders at Barcelona, it gave 'civil society stakeholders little possibility for contributing to the process' (EEB 2002: 6). When compared to civil servants in many EU member states, however, the Commission's 'participatory ethos' appears somewhat more robust (see Nugent 2001: 159–60).

Another principle, *precaution*, has been pursued with gusto, often to the dismay of industry groups and the EU's trading partners. The intended aim of the principle is to help guide political and regulatory action based on a number of underlying concepts such as preventative action, proportionality and duty of

care. The principle has appeared in earlier EAPs and in the treaties (Article 174); it has been adopted in international agreements reached at the Rio Earth Summit and within the World Trade Organization (WTO) (in mild form); and now constitutes a principle of customary international law. But the precise meaning of the principle remains unclear, and its application by the Commission is contentious. From the Commission's view the principle requires the EU to 'take action when the science is not clear, but where there is reasonable cause for concern' (Wallström, quoted in Grant et al. 2000: 11). The Commission is engaged in a major effort to see the principle adopted as a 'full-fledged and general principle of international law' (CEC 2000). Here we see a rich example of the Commission adopting, applying and promoting a key principle of sustainable development.

The Commission's pursuit is all the more remarkable given the intense opposition to the principle as applied by the EU. Regulatory expert Majone (2002) clearly expresses irritation over the current use of the principle to distort regulatory priorities, justify protectionist measures and undermine regulatory cooperation. Industry groups fear that the principle places the burden of proof on industry to prove no environmental harm will result from its activity when science and technology cannot provide clear answers. And the EU's application of the principle has been repeatedly questioned or opposed within the WTO by the US and other 'third countries' (see Scott and Vos 2001). The controversy surrounding the principle illustrates two important points: first, we are reminded of the open, contested and vague definitions of many sustainable development principles; second, the extent to which institutions can operationalize key principles is a product not only of that institution's agenda but also of constraints from within the EU and well outside it.

Finally, the normative dimension of sustainable development, particularly that of *inter-generational justice*, is perhaps best internalized in the Commission whose time horizons are long and relatively unencumbered by shorter-term electoral concerns or the cyclical imperatives of domestic politics (see Lundqvist, Ch. 4, this volume). Yet, here, too, the application is not clear cut. The Commission is arguably not the most convincing carrier of normative aspirations because both it, and the EU more generally, suffer from their own legitimacy problems. It is more difficult for the Commission than for national governments to convince publics that it is a legitimate vehicle for social and environmental justice (but see Lafferty, Ch. 7, this volume). Moreover, a view shared by several Commission officials is that the Commission's own legitimacy (such as it is) would be in danger should economic goals be undermined or supplanted to environmental demands (see Hooghe 2002).

## Council of Ministers

The Council of Ministers, if we take in all its various formations, has had uneven success internalizing or even embracing some of sustainable development's key principles and norms. One reason is that the Council – which brings together national ministers to agree decisions – must incorporate the positions and views of 15 different countries with often sharply contrasting views on the value and meaning of sustainable development and its key principles. The diversity is not simply a matter of north or south within the Union, or of 'leader/laggard', but reflects complex cleavages based on time of entry to the EU, dominant environmental problems, level of economic development and attitudes towards European integration (see Weale et al. 2000: 469 ff.).

The starker variation, however, is sectoral rather than national. Environment ministers are far more likely to endorse and institutionalize sustainable development principles such as *integration, environmental effectiveness, precaution and accountability*. Sbragia (2000) argues that when Environment ministers attend Council meetings, the keener or greener of them often have been able to approve policies for which they would have been unable to win support in national cabinets. For her, this dynamic explains at least in part how EU legislation has been able to 'pull up' laggard states in past decades. But just as often, Environment ministers and their positions are subordinated to more powerful ministries back home. Pehle (1997: 198) recounts how the German Environment minister's advocacy of an energy tax in the 1990s had to be revised quickly once the 'Minster of Economics had made it sufficiently clear between the lines that not the entire federal government but *de facto* only the Minister for the Environment seriously championed the energy tax'. Environment ministers have even been accompanied by chaperones from other ministries to ensure that they don't 'go too far in Brussels' (Pehle 1997: 199). And Greens on the Environment Council (even when they numbered four of 15 in the late 1990s) had little luck pushing sustainable policies because of their junior – and often tenuous – political position at home (see Bomberg 2002).

The point is that domestic politics and power structures profoundly shape the extent to which sustainable development principles and tools can be introduced or advocated in the EU. In any case, the Environment Council is only one of several Council formations and it is not, perhaps surprisingly, centrally involved in shepherding the EU's sustainable development strategy. At Gothenburg, leaders decided to give to the General Affairs Council (made up of foreign ministers) leadership responsibility for implementation of the SDS. The General Affairs Council is well suited to deal with the international aspects of sustainable development strategy but would arguably not be nearly as robust internally as, say, Environment ministers or the Commission would be.

A further dynamic worth mentioning is the role of the Committees of Permanent Representatives (Coreper) – the mini embassies made up of national officials permanently based in Brussels. Preparing the work of the Council these national officials meet regularly to pore over details and often hash out deals before the proposal arrives on Council table. Work by Kassim et al. (2000) suggests that the way national coordination is managed in national capitals and within Coreper has important implications for policies emanating from Brussels. Certainly Coreper's role is of immense importance in shaping the actual implementation of EU sustainable development policy. Much of legislation agreed in Council is general and so-called 'implementing measures' usually need to be drafted and adopted by specialist committees within Coreper. *Policy integration* of the type required by sustainable development is difficult because work is divided into highly specialized committees or working groups. Moreover, the implications for *transparency* and *accountability* are significant: essentially, much of actual EU policy related to sustainable development is negotiated more in the opaque world of committees than at the higher level of policy debates between member states, the Commission, Council or Parliament (Flynn 1999).

### **European Parliament**

Historically, the Parliament has acted as a champion of sustainable development in general, and the principle of *integration* in particular. Because it does not initiate legislation or strategy, the Parliament's influence is exercised more by shaping actual pieces of legislation (where its impact is significant), responding to Commission White Papers, and approving (or not) Council and Commission proposals. For instance, it criticized the Commission's SDS for failing to take integration seriously enough in its own procedures and it pushed for several amendments, including the radical suggestion of reorganizing the Commission so that environmental interests are integrated across the institution. More generally, the EP has used sustainable development as an area where it can play its favoured role as the 'environmental watchdog' of other institutions. The strategy was exercised in the run-up to the Barcelona Summit when the Parliament demonstrated impressive (and uncharacteristic) solidarity by passing by an overwhelming majority a resolution demanding that the Commission and Council deliver on their commitment to environmental effectiveness and policy integration in pursuit of sustainable development goals (EP 2002). Specifically, the MEPs demanded indicators to evaluate resource consumption 'so that progress in breaking the link between economic growth and resource use can be measured' (ibid.).

It is worth noting that as the Parliament's powers increase, and as it is lobbied ever more intensely by business groups, its traditional 'green' reputation may

well fade. Some analysts already detect this transformation (see Watson and Shackleton 2003). But thus far the Parliament's watchdog role has served both it and the promotion of sustainable development.

The Parliament is also much more comfortable with procedural principles such as *transparency* and *accountability* because it is most likely to embody these principles in its own structures and practices. Whether it can carry the weight of the entire EU's commitment to these principles is less certain, but it certainly takes pains to remind the Commission and Council of their importance. The broader point is that institutional competition can work for sustainable development: the EP's attempt to ratchet up sustainable development commitments and constantly check other institutions' progress has arguably created more robust internalization of principles at the EU level.

### **European Court of Justice**

The European Court of Justice (ECJ) is not formally a policy-making body or one directly associated with goals of sustainable development. But it is often called upon to adjudicate between competing principles and norms within the EU. Its legal role is to ensure that the Community law and the treaties are observed; it also gives opinions on the compatibility of international agreements (trade and environmental) with EU treaties. In the well-known 'Danish Bottles Case' in 1988, the Court's judgement set a precedent by finding that environmental protection could be a legitimate barrier to free trade provided that the measure was proportionate. Subsequent rulings underlined the judgement and made clear the Court's ability to take on political as well as legal considerations in its rulings (see Hovden 2002; Koppen 1993). More recently the Court has referred to Article 6 of the Amsterdam Treaty (the environmental integration requirement) as a key principle in determining cases where environmental and economic development may clash (Coffey 2003: 2). The Court's decisions demonstrate how the Court can expand and strengthen the status of sustainable development not only by advocating the *integration* of environmental objectives, but allowing for their *prioritization*. Its rulings, as in many areas, allowed other institutions to seize the initiative. The Commission used the bottle ruling to justify new legislation providing for stricter common environmental standards, and the ruling was formalized in the Maastricht Treaty, which allowed Community legislation to include safeguards that permit member states to take strict provisional measure to protect the environment.

### **European Environmental Agency (EEA)**

An increasingly feisty institutional actor in sustainable development debates is the EEA, which tirelessly reminds other EU institutions and its member states

of the need to live up to their sustainable development commitments. Serving the EU but also other European countries, the EEA is the main source of environmental data and information. Its stated goal is 'to support sustainable development and to help achieve significant and measurable improvement in Europe's environment through the provision of timely, targeted, relevant and reliable information to policymaking agents and the public'. A relatively young institution (it was established only in 1992) it is keen to assert its role and independence, and, like the European Parliament, uses sustainable development as a stick with which to beat other institutions. It has championed the main environmental principles of sustainable development (especially *environmental efficiency, integration, transparency* and *accountability*) and releases regular reports and assessments of the EU's progress – or lack thereof – in fulfilling its sustainable development goals. It has no enforcement or even implementation powers so it relies primarily on information, networking and 'naming and shaming' to get its point across. It has wielded these tools effectively, and the wider diffusion of sustainable development norms (especially transparency and accountability) has been the result.

### **Non-institutional Actors**

In addition to the institutional actors outlined above, sustainable development norms and principles are propagated, enmeshed and shaped by wider networks involving scientific experts, think-tanks, non-governmental organizations (NGOs) and industry groups. Perhaps the most resolute proponents of sustainable development in the EU have been environmental NGOs, especially the European Environmental Bureau (EEB), a federation of 135 national environmental groups from countries within and outside the EU. The EEB has embraced sustainable development as a 'defining issue of our time'. It has lobbied the EU's institutions and member states through face-to-face encounters, conferences, workshops and the publication of several reports on sustainable development in general as well as its specific processes and principles (such as *policy integration*). The EEB's influence lies in its links to member states representatives, its access to the Commission and long-established credentials as a 'reasonable' voice (for which it has been labelled as too tame by some other groups).

The EU provides NGOs like those in EEB with unique opportunities. It can provide an alternative arena where groups who are not gaining access on national level can push their sustainable development demands. Other environmental NGOs have managed to shape decision-making over time, usually by forming alliances with the Commission and Parliament, or learning to use the European Court of Justice (see Peterson 1997). The principles of *accountability* and *participation* and *transparency* are strengthened by these activities, even if it is difficult to discern any actual impact on policy outcomes.

Industry federations in the EU provide another sort of influence. Groups such as UNICE or Amcham tend to emphasize the need to balance (but not prioritize) environmental and economic concerns and are keen to show how the two need not conflict (EU Committee 2000: 4).<sup>10</sup> Many have made clear their desire that policy instruments to achieve sustainable development (especially market-based ones such as taxes or incentives) be spread evenly and fairly. They are also keen to ensure that principles such as *cost-effectiveness* be given ample consideration in sustainable development strategies. While selective, the internalization of sustainable development norms by industry groups is of immense importance (see Ruud, Ch. 8, this volume). Acknowledging this importance, the Commission has encouraged business to play a far more ‘proactive’ part promoting sustainable development. Its Environment Commissioner, in the run-up to the WSSD, suggested that ‘Johannesburg should bring business on board in the way that NGOs came on board at Rio’ (Wallström 2002). Even environmental groups (most of them) have come to realize that sustainable development implementation falters if it loses the support of business (EEB 2002).

### **Assessing the Internalization of Principles**

We have seen how individual institutions or actors have internalized, to varying degrees, the key norms and principles behind sustainable development. Table 3.3 provides a simplified scorecard indicating which institutions are likely to adopt or internalize which principles.<sup>11</sup> A collective assessment of the institutionalization of these norms is difficult precisely because of the variation and fragmentation amongst these actors and institutions. But several important findings emerge.

First, the scorecard highlights clearly the variation between the EU’s institutions and their particular engagement with sustainable development. Broadly speaking, the EP, the EEA and important parts (but not all) of the Commission tend to push sustainable development forward while the Council of Ministers – with the exception of Environment ministers – does not. The European Council’s enthusiasm depends on who is holding its presidency, though a certain momentum can be seized upon by other actors regardless. Some of this variation is due to the presence or not of committed individuals populating these institutions. A vigorous Environment Commissioner or committed prime minister can push sustainable development principles higher up the EU’s agenda.

But a fuller explanation for inter-institutional variation is found in deeper institutional behaviour. To simplify: how and why principles of sustainable development are internalized has much to do with how they fit with existing institutional norms and patterns. Sustainable development principles of



environmental efficiency, integration and transparency fit comfortably in the existing remit of Environment ministers or DG Environment. Their internalization is thus far less disruptive to these actors than they are to, say, the Council of Economic and Finance ministers or administrators in Coreper. The latter are steeped in norms of economic efficiency, stability and secrecy. These institutional norms acquired over years of experience can trump new experiences (see Armstrong and Bulmer 1998; March and Olsen 1989).

Similarly, bureaucrats (in, say, the Commission or EEA) are most likely to support institution-maximizing strategies, more bureaucratic discretion and greater status. The Commission thus desires the institutionalization of sustainable development as a way to pursue greater policy responsibility; the EP and EEA seek a greater purpose and status; environmental groups seek to create new arenas for policy change; and industry works towards standardization of policies. The point is not to infer cynical motives but rather to illustrate that for new ideas to become institutionalized as governing norms, key actors at various levels of governance must find that these ideas serve their interests and, when applied selectively, fit with existing patterns and modes of operation.

Secondly, an examination of 'internalization' reveals how competing institutional norms and loyalties sometimes divide institutions internally. Both the Commission and Council are divided over the issue of sustainable development. In the Commission, this fragmentation has made it difficult for the sustainable development principle of integration to be implemented systematically. DG Environment has long been frustrated by other directorates whose agendas include a far less developed institutionalized notion of integration, accountability, or environmental effectiveness. To illustrate, in late 2001 DG Internal Market proposed public procurement rules that allow little scope for environmental considerations to be taken into account, despite DG Environment's explicit insistence that this is precisely the sort of 'integration' mandated by the Cardiff Process and Article 6 of the Amsterdam Treaty.<sup>12</sup> Similarly, officials in DG Environment complain that 'no one in agriculture is willing to talk to anyone about the environmental problems that the CAP [Common Agricultural Policy] causes' (quoted in Weale et al. 2000: 491). Numerous other illustrations of 'non-integration' are evident in fisheries, tourism and, especially, structural fund policies and directorates. Thus, competing norms and practices, even within individual institutions, render the implementation of sustainable development principles inconsistent.

Thirdly, exploring principles and how they are internalized also highlights the extent to which these principles themselves may conflict. The tension outlined here between institutions – for instance the EP's demand for broader participation in decisions versus the European Council's need to reach mutually acceptable, often secretive and late-night agreements – may mask a

tension between the principles themselves. It is difficult (though not impossible) to internalize simultaneously and coherently the principles of environmental efficiency, economic efficiency and democratic participation (see Lafferty 2001, especially Figure 2; Meadowcroft, Ch. 6, this volume).

Finally, the ‘scorecard’ in Table 3.3 tells us something about a potential shift from economic to sustainable development governance. Generally, those principles integral to the pre-existing system of economic governance (long-term planning, cooperation, cost-effectiveness) are more likely to be adopted by a wider range of actors – and with less fuss – than the more demanding principles of inter-generational justice, policy integration and environmental efficiency. Thus in terms of internationalization of sustainable development principles – the second component of successful implementation through governance – the overall assessment is uneven, but not surprisingly so.

## STEERING MECHANISMS IN EU GOVERNANCE

Governance implies a wide set of ‘steering’ mechanisms designed to alter and channel the behaviour of individual and collective actors (Lafferty, Ch. 1, this volume). Governance for sustainable development invites new and innovative mechanisms, including those beyond traditional forms of government regulation and law-making. Whatever the EU’s institutional fragmentation and policy-making pathologies, it remains above all a constantly evolving experiment in motion. This section suggests that as a regional and multilevel system of economic governance the EU already has developed several different mechanisms that could significantly favour the implementation of sustainable development. Three broad steering mechanisms – cooperative, economic and educational – stand out.

### **Multilevel Coordination (Cooperative Steering)**

One of the key characteristics featured in this project is the ‘outside-in’ dynamic of sustainable development. The gap between international formulation of sustainable development and its implementation on the ground is indeed vast. Bressers and Rosenbaum (2002: 2) argue perceptively that sustainable development implementation is essentially a problem of ‘multiple scales’: ‘how to effectively deal with problems of magnitudes, policies with many diverse objectives, and governmental entities at many levels’ (see also Revesz et al. 2000).

As a system of regional governance, the EU can provide a middle ‘scale’, a sort of pit-stop along the journey from ‘outside’ formulation and ‘inside’ implementation. It represents a forum where general demands can be tailored

to more specific environments. The EU's multiscale, multilevel character encourages a type of 'governing by coordination', involving bargaining, compromise and consensus. EU governance is thus an exercise in sharing power between states and institutions, and seeking consensus across different levels of governance. Getting to 'yes' in a system with so many diverse stakeholders often requires that actors resort to informal methods of reaching agreement. This dynamic is seen both in regional governance (internal to the EU) and global governance (external policy).

### **Internal (Regional) Coordination**

Internal coordination occurs between levels of governance as well as horizontally, across institutions and 15 member states. Let us start with multilevel coordination between the EU, national and local levels of governance. In the EU this multilevel coordination is guided by the notion of *subsidiarity*. The principle is a key starting point for determining how goals that transcend the nation state should be best pursued, by whom, and at what level of governance. The core aim of subsidiarity is to balance two competing ideas: (1) that policy competence and political authority should be placed at the level at which it will be most effective and efficient; and (2) that decisions should be taken 'as close as possible to the citizens'. The tension between democratic participation on the one hand, efficiency and effectiveness on the other, is at the heart of sustainable development as well as EU policy-making. Clearly, in areas such as global trade or transboundary pollution it is not possible to make effective policy at local, subnational or even national level: supranational or global action is called for. In the EU treaties subsidiarity allows for supranational solutions, but restricts the EU's actions to areas of policy where policy goals cannot be sufficiently achieved at a lower level.<sup>13</sup>

Of course, subsidiarity has been criticized as a notoriously vague concept open to a wide array of interpretations by different institutions, actors and member states.<sup>14</sup> In practice it has been both used to empower the EU by providing powerful justification for the EU to develop supranational policies where it has never done so before, and invoked to rein in perceived excesses of EU governance. Yet, it is precisely the contestation surrounding subsidiarity that renders it useful to the wider sustainable development debate. The EU on a regional level is rehearsing what the international community will need to agree about the *global* implementation of sustainable development. Questions of who should do what, at which level and with how much coordination are central to successful global agreements on, and the implementation of, sustainable development.

Perhaps the most significant lesson to be learned from the EU's experience with subsidiarity is that it need not concern only questions of *dividing* power

and authority between levels. In the EU's case, the principle of subsidiarity is used to frame strategies for *sharing*, not dividing power. Actors in the EU are now accustomed to working across levels of governance to pursue common goals. The interaction between the Commission and local authorities in the context of 'Local Agenda 21', and their joint ability to shape policy, demonstrates the ways in which these territorial boundaries can be spanned (see Lafferty 1999, 2002).

Moving to horizontal coordination, the EU has developed highly sophisticated norms of bargaining and consensus-seeking. Across 15 member states the challenge of national diversity is immense, but has been more or less accommodated thus far through inter-governmental bargaining, compromises, trade-offs, opt-outs and package deals. A classic (if simplified) example of the latter is the inclusion of an environment title in the Single European Act. The title is widely viewed as the result of a tacit bargain between northern states seeking higher environmental standards, and southern states seeking more aid and less onerous environmental requirements. The resulting bargain involved both a commitment to high standards of environmental protection and the use of the structural funds to aid southern countries in meeting them (Allen 2000).

EU member states thus have – in ways far beyond normal diplomatic interchange – mastered the art of inter-governmental compromise and negotiation on sustainable development issues. While its mode of bargaining is unique in many ways, it also provides lessons for wider (including international) negotiations. It demonstrates that coordination and consensus-building amongst diverse countries is possible but messy; it is usually achieved through compromise, bargaining and package deals. While allowing for coordination on sustainable development issues, these practices also violate the principles of accountability and transparency (such deals are seldom made public or even acknowledged) and have led to trenchant critiques of the EU's decision-making processes and wider legitimacy.

### **External Coordination**

The EU's coordination abilities are even more strenuously tested in international efforts to promote global governance on sustainable development issues. The incentive to coordinate internally before entering international negotiations is clear. A united transnational actor of 450 million citizens/consumers is in a powerful position to respond to the global challenges of sustainable development (especially those they helped to create) or to push others to do so.

Increasingly the EU has relied on 'burden sharing' or differentiated targets internally, as a way to present a common position externally. For example, the EU put forward one common position in the run-up to the 1997 climate

convention talks in Kyoto, but the EU's common pledge (to reduce a basket of greenhouse gases by 15 per cent by 2010) was actually made up of individually specified national targets, based on member states' energy use, pollution levels, economic development and so on.

Of course, coordination is not easy or always forthcoming. The 'burden sharing' approach inevitably requires hard bargaining because it allows for unequal standards. In particular, the approach meets with tremendous resistance from states more assiduous in their implementation. As a member of the UK Permanent Representation put it: 'We don't want to let other member states do bugga all while we spend billions to meet standards' (quoted in Peterson and Bomberg 1999: 185).

Moreover, originally coordinated targets or positions can unravel in subsequent negotiations. Such a breakdown occurred in the Hague Summit on global warming in late 2000. After marathon negotiations, the Union's internal unity collapsed and so did a summit deal. Reasons for the internal breakdown included disagreements over how hard to push the Americans, as well as disagreements over who should play the lead role (Commission? Council? Individual member states?). The US Undersecretary of State for Global Affairs, Frank Loy, blamed the result on the 'pathologies of EU decision-making' (quoted in Peterson and Smith 2003). Yet the follow-up to the Hague Summit in Bonn 2001 saw EU states go to extraordinary lengths, with George W. Bush in the White House and the US effectively out of the negotiations, to strike a deal on cutting emissions. Similarly, the EU appeared far more united, and more willing to play the leading role at the WSSD than it ever did at Rio, the precursor to WSSD held ten years earlier.

Thus, while it may be messy and drawn out, the EU usually does manage to reach a compromise with the appearance, at least, of a coordinated response. This ability matters to sustainable development implementation for several reasons. First, by constructing a common internal position, the Commission and greener member states often can pressure reluctant member states to accept tough measures they might not otherwise implement. An external commitment and a chance to play a leading global role enhance that pressure. In the run-up to Johannesburg, for instance, every EU member state made a point of ratifying the Kyoto Treaty (all had done so by June 2002). That outcome would have been far less likely were countries acting individually. The point was reinforced by EU Development Commissioner Poul Nielson who explains the EU's approach to the WSSD as follows: 'we start by putting our own house in order and thus provide leadership in translating rhetoric into action' (*European Voice*, 1 August 2002). Similarly, a concerted EU position can influence other major participants such as the US to match the EU's targets, or (as is likely) barring that, lay bare the US's isolation.

Secondly, the flexible mechanisms under consideration in the EU, such as

differentiated targets and ‘burden sharing’, clearly provide lessons that the wider international community already has adopted in its global sustainable development negotiations.

Finally, because it has competence in several spheres of international policy, the EU can in its external relations explicitly link environmental objectives questions to trade or development policies. Few other international or regional bodies are better positioned to integrate the three pillars of sustainable development in its external relations. At the WTO talks in Doha in December 2001 the EU succeeded in securing a stronger footing for environmental issues, despite opposition from the US and elsewhere. The Commission’s 2002 global strategy document (CEC 2002) – the blueprint for the EU’s position in Johannesburg – put forth several ‘integrative’ measures including the trade SIAs mentioned above. More generally, when trade and environmental priorities clash within the EU, at least there is some chance that environmental considerations may win out (such as in rulings by the ECJ). By contrast, within the WTO, free trade virtually always wins.

### **Non-regulatory (Market) Tools and Soft Convergence (Economy and Market Steering)**

Another steering mechanism, and one already developed in the context of economic governance, is the application of non-regulatory and market-based tools. Their aim is to achieve policy convergence without conventional tools such as regulations or directives. Across European countries sustainable development implementation has been pursued in part through a broad range of non-regulatory tools, which can ‘harness the market’ while supplementing (and even replacing) traditional legislation. Chief among these is the range of market-based instruments including taxes, subsidies and economic incentives (see Golub 1998; Jordan et al. 2003). The value of such tools to achieve sustainable development goals was underscored in the Gothenburg Conclusions, which referred to: ‘“getting the prices right” so that they better reflect the true costs to society of different activities and would provide a better incentive for consumers and producers in everyday decisions about which goods and services to make or buy’ (European Council 2001).

The EU has been a primary channel through which such instruments have been adapted and more widely dispersed. Its role in propagating these instruments is multifaceted. The EEA regularly disseminates ‘success stories’ on market-based instruments operating at member-state level such as, say, Swedish taxes on sulphur dioxide (EEA 1996). Within member states already adopting such tools, coalitions of governmental officials, environmentalists and domestic industries (keen to compete on a level playing field) have successfully ‘pushed up’ to the EU level national tools ripe for wider application or sought

by other member states. One example is found in the range of voluntary schemes like eco-labelling and eco-audits, which should be more attractive and effective at the EU level because their regional application both removes unfair competitive advantage and allows consumers to compare across the EU. A whole range of policies, experiments and best practice (price differentials for leaded and unleaded petrol; subsidies for renewable energies) have originated at member-state level and have been eventually introduced (in adapted form) as part of EU-wide policies (see Carter 2001: 295 ff.). Moreover, if these tools become institutionalized as legislation, any new state joining the EU – including those perhaps unwilling to introduce market instruments – will be obliged to accept them as part of the terms of entry. The point is that the EU can serve as a powerful ‘dispenser’ (both benign and more coercive) of market-based instruments.

Yet the EU’s own engagement with this mechanism is ambivalent, in part because of competing views among the EU member states themselves. Its long and convoluted history of efforts to introduce an EU-wide energy tax provides a sharp illustration of internal tensions. Despite the existence of such taxes in several member states, and despite the economic rationale for a ‘level playing field’ that an EU-wide tax would create, introduction of the tax has been repeatedly raised and rejected. It has met with fierce opposition from segments of industry (worried about international competitiveness and the burden of any additional tax) and from at least two member states (Spain and the UK most consistently). Opposition arises not just over issues of sovereignty (the UK has long opposed the measure on the principled grounds that the EU should not acquire more tax-raising capacity), but because tax reform of this type could have profound economic and redistribution effects. Moreover, as a fiscal measure, tax proposals are subject to unanimous voting in the Council, thus giving veto power to any one member state. Thus the EU’s application use of market-based instruments as a mechanism of sustainable governance is experimental and uneven. As a steering mechanism, however, it remains a crucial bridge between economic and sustainable development modes of governance.

### **Policy Learning (Educational Steering)**

The uncertainty, complexity and ambitious demands of sustainable development as described above not only invite, but arguably require an ‘open and learning-oriented policy system’ (Arentsen et al. 2000: 598; O’Toole, Ch. 2, this volume). Policy-makers searching for alternative policies naturally welcome real-world examples of the link between such policies and results in other states or regions. Many embrace ‘policy learning’: informal or more institutionalized exchanges through which policy-makers study each other’s

different methods, gauge the success of various policy alternatives, and mimic 'best practices' employed elsewhere.<sup>15</sup>

In the EU, the attraction of policy learning may be viewed also as a response to frustration arising from the inability of agreed EU policy goals to produce sought-after policy ends. As mentioned, the EU's track record in terms of sustainable development implementation has often been patchy and unflattering (see Baker 2000: 317 ff.). Like market tools, policy learning is also a response to dissatisfaction with the traditional method of policy-making, which is viewed as closed, encumbered with multiple veto points, and an increasing capacity for blockage (see Bomberg and Peterson 2000). Finally, in political terms, policy learning addresses concerns of 'EU interference' associated with traditional regulatory methods and corresponds to the embrace of subsidiarity as the proper guiding principle of EU action (see above).

Thus, within the EU different forms of policy learning have been enthusiastically employed as a means of improving legitimacy while managing changing circumstances in an environment of uncertainty. Given that the agreement of so many actors is necessary to have any chance of policy change, policy-makers in the Commission especially have strong incentives to learn from and diffuse best practice developed in individual member states. Taking on board proposals from member states, Commission officials are 'safe in the knowledge that there is at least some support at the beginning for a measure' (Weale et al. 2000: 463).

Directed forms of learning are central to the EU's economic governance and are already established in sectors such as monetary and single-market policy. The Lisbon Process mentioned above encouraged this 'open method of coordination' for economic and social policies. It is based on agreement of indicators, benchmarks, annual synthesis reports and a scoreboard, produced by the Commission. National governments then develop national action plans to implement the agreed objectives (on, say, increasing employment). The method leaves it to member states how best to achieve the objectives. When at the Gothenburg Summit leaders agreed to add an environmental dimension to the Lisbon Process, economic governance appeared to shift visibly as these coordination methods were carried over to achieve the wider goals of sustainable development.

Overall, however, the EU's main role in sustainable development learning thus far has been primarily that of a mediator or facilitator of cross-national learning and interchange. It has acted as a classroom where member states can learn about each other's practices, policies and methods. An example is the establishment of institutionalized networks designed to improve 'implementation through learning'. The 'EU Network for the Implementation and Enforcement of Environmental Law' (Impel), for instance, brings national enforcement authorities together informally twice a year to exchange information and experience (see EEA 2001b).



The increasing use of indicators suggests a more directed future role for the EU. Both the Commission and the EEA have established a range of social, economic and environmental indicators to help – or push – national policy-makers to match their commitments. The environmental indicators most often used include energy efficiency, greenhouse gas emissions or vehicle kilometres driven. Indicators become more powerful when linked to specific targets, and the EEA (2001a) has pushed heavily for such linkage as a way to ‘to make policy-makers and implementers accountable’. The value of indicators within policy learning is that they can be used as benchmarks with which individual countries, companies or institutions’ performance can be evaluated and compared. Publication of this information can lead to peer pressure to do better either by ‘naming, faming, or shaming’. The EEA is the key vehicle through which such comparative ‘league tables’ are publicized (see EEA 2001a).

Policy learning as a mechanism of sustainable development is becoming established, but its outcomes are still unclear. The main attractions of policy learning are the flexibility and discretion it allows, but such discretion and flexibility can also mean lax or non-implementation precisely because ‘open coordination’ and ‘soft targets’ lack the force of law. Secondly, the establishment of indicators for economic and social progress is so far only loosely related to indicators for environmental objectives. The EU has not yet embraced the more holistic indicators favoured by environmental groups (ecological footprints, green GDP, ‘food-miles’), which arguably better capture the multisector character of sustainable development. Similarly, when leaders at Gothenburg agreed to widen the EU’s Lisbon Process to include promotion of sustainable development, no specific sustainable development indicators were included. Rather, environmental indicators were simply added to the existing, classical ones on economic growth and social policies. Left unclear is what the EU’s strategy should be if, say, the GDP indicator shows success and the biodiversity indicator points negative (see EEB 2001).

Finally, it is important to note the variable progression of learning. Agreed indicators, targets and even policies may be applied and rather quickly ‘diffused’ across the EU. But the embrace of principles underpinning sustainable development – such as the precautionary principle – has met with considerable resistance in some member states, not least because the costs of adapting to broad principles are usually higher than the costs of converging policies, narrowly defined. This conclusion is not to deny the success of policy learning as a steering mechanism, but rather to point out the long time-frame in which it must be assessed.

## CONCLUSION: ASSESSING SUSTAINABLE DEVELOPMENT GOVERNANCE IN THE EU

The EU's engagement with sustainable development is as multifaceted, evolutionary and complex as the notion of 'sustainable development' itself. This chapter has tried to identify what is unique about the EU's engagement, both in terms of form and function. Specifically it has argued that the EU already has in place a *form* of governance (economic) and has asked to what extent that system has or can be adapted to encompass the *functions* and prerequisites of sustainable development. Are there institutionalized patterns that recognize, strategize for, and internalize key tenets of sustainable development? Are steering mechanisms in place that make implementation of sustainable development possible? Let us revisit the key criteria of sustainable governance and review the extent to which they have been met in the EU:

- Recognition and development of strategies. The first section suggested that the EU's awareness and embrace of sustainable development issues is uneven but impressive. It is far more advanced than in several of its member states and also more advanced than in other international bodies. Tracking the evolution of sustainable development in the EU underlines the importance of key actors (European Council, Commission) and their ability or willingness to push sustainable development on to the EU's agenda. The section also elucidates the limits to this awareness. Overall, the commitment of EU policy-makers and leaders to the market and economic growth has not been replaced by sustainable development concerns. They have, however, been expanded to include wider issues of decoupling, integration and sustainability.
- An assessment of the second component – the internalization of sustainable development norms and principles – is more complex. It was shown in the second section that the institutionalization of these principles varies widely across principles, institutions and other policy actors. The importance of the 'fit' between sustainable development principles and established institutional norms and institutional agendas is undeniable and may help explain both the variable 'uptake' of principles as well as their future importance. More generally we can conclude that those sustainable development norms most developed in the EU – international cooperation, experimentation, long-term planning – are those already entrenched in the EU's system of economic governance. Other principles, such as transparency or accountability have been only partially internalized because they demand more significant adaptation of institutional norms and practices. Those principles most resistant to change – full sectoral policy integration and inter-generational justice –

require the prioritization of environmental over economic goals. Such a shift is not imminent as it would represent a fundamental and radical transformation of economic governance.

- **Steering mechanisms.** Several steering mechanisms were outlined in the third part of the analysis. While not applied consistently or even coherently, the EU offers a tool kit of mechanisms including multilevel or multiscale coordination, non-regulatory tools and policy learning. These mechanisms have been designed to facilitate economic governance but are also crucial to the implementation of sustainable development. The importance of these mechanisms extends beyond the EU. Many of them borrow from, and can be applied by, other institutions engaged in sustainable development (see OECD 2001b).

Taken together, then, has the EU's 'form' of economic governance adapted to suit a sustainable development 'function'? The answer indicated here is that the EU – for neither the first nor last time – is in a state of transition. Clearly the EU has now evolved into something more than a system of economic governance, and this evolution holds several lessons for those interested in governance for sustainable development. As a powerful collective actor the EU has illustrated that a bloc of sovereign nations can achieve some sort of 'common ownership' for collective problems and solutions, and that the benefits of multilateral cooperation are worth the costs. This idea is indispensable to achieving any global agreement on sustainable development. It becomes all the more important when the EU remains divided on other issues.

Moreover, the adoption of certain sustainable development principles by the EU, however uneven, offers compelling evidence to others that embracing principles such as policy integration need not result in catastrophe – and may even hold benefits – for the functioning of society, markets or trade.

Perhaps the most obvious lessons offered by EU governance are found in the operation of its various steering *mechanisms*. The EU's internal practice of bargaining and power-sharing demonstrates how it is possible to achieve consensus on baseline issues (such as the importance of sustainable development), even if that process of agreement is messy and prolonged. In the EU, enormous efforts are often required to strike agreements that are acceptable to all who have a slice of power to determine outcomes. The EU's well-rehearsed process of inter-governmental and inter-institutional bargaining can act as a template of what to do (or what not to do) to achieve agreement on sticky issues.

But the EU clearly is not yet a system of governance capable of steering the European policy towards sustainable development. Its core underlying principles – market liberalization, economic growth – and their dominance over other norms render any dramatic shift unlikely. It also suggests there will be continued tension between what the EU professes and what it executes on the

ground. Put another way, the EU's awareness of sustainable development principles far outstrips internalization of these principles. The gap matters because without internalization of principles, engagement with sustainable development may remain superficial. The evolution of sustainable development, especially in the 1990s, was in part a product of fortuitous circumstances (entry of Nordic countries, an active Swedish presidency, an engaged EU Commissioner committed to sustainable development issues). By the mid-2000s the EU's attention to sustainable development had been sidelined by other, especially traditional security, concerns. The point is that until sustainable development commitments are institutionalized across key institutional actors they will remain fragile and increasingly subject to fluctuations in political fortunes and trends.

In sum, it would be inaccurate to conclude that a 'system of governance for sustainable development' is solidified and in operation. But it is also clear that patterns of governance are being established, and often in striking and surprising ways. A more accurate assessment is of a system of sustainable governance 'under construction' – possibly achieving successful completion but also subject to delay and disruption. The EU's liberal-market ethos, and the unsustainable growth that accompanies it, seem well entrenched. Moreover, new challenges, such as eastern enlargement, appear to pose daunting hurdles for a more sustainable EU (see Bomberg 2003; von Homeyer et al. 2000). It would be unwise, however, to predict how EU governance will evolve. Throughout its history the EU has shown a remarkable ability to confound analysts with its capacity to absorb new challenges and adapt to changing circumstances, however radical.

## NOTES

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- 1. The treaty revisions agreed at Nice in December 2000 made no significant changes to this provision. Sustainable development also appeared as one of the EU's objectives in the draft constitutional treaty under negotiation in 2004. This round of negotiations includes the ten new member states that joined the EU in May 2004.
- 2. The document lists as the 'biggest challenges to sustainability' the following: climate change, potential threats to public health, pressure on natural resources, poverty and social exclusion, aging population, congestion and pollution'. And, it adds, enlargement will pose unprecedented challenges of achieving these goals. The Commission seemed undeterred by the magnitude of the task or the question of how or whether such challenges could be meaningfully addressed simultaneously.
- 3. At the Lisbon Summit in March 2000 the European Council agreed to commence a ten-year inter-governmental process aimed at making the EU 'the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion' (European Council 2000).
- 4. Coffey (2003) provides a useful analysis of these earlier drafts and their implications for sustainable development. The convention's final recommendations are available at: <http://european-convention.eu.int/docs/Treaty/cv00850.en03.pdf>.

5. See Baker et al. 1997; Baker 2000; EEB 2002; Grant et al. 2000; IEEP 2001. The European Environmental Agency (EEA), an official body monitoring environmental and sustainable development policies, concluded that 'in spite of relative success of environmental policies particularly at EU level there has not been a general improvement of environmental quality and little progress towards sustainable development' (EEA 2001a).
6. Only the most important institutions are examined here. Several other institutions and actors influence in some way sustainable development principles at the EU level, but their impact is slight or indirect. The Committee of the Regions (CoR), for example, in its role as representative of regions, could play a potentially important role in reinforcing or inserting the principles of accountability and policy integration into policy areas related to cohesion spending, fisheries, and so on. Yet for reasons explained elsewhere (see Jeffrey 2002) the CoR has failed to play a significant role in the development or implementation of sustainable development (or other) policies.
7. Its Conclusions are made public but the far more interesting question of what agreements and package deals made such agreement possible is known only to participants, and they are few. The European Council brings together heads of government and (in the case of France and Finland) heads of state, the President of the Commission, assisted by ministers for foreign affairs. Apart from a very small number of civil servants nobody else participates in the meeting. No media, Parliament or any other representative, just 'a limited number of political figures, headed by the chief executives of all member states, meeting in a closed room with no assistants' (Schoutheete 2002: 22).
8. The member state holding the presidency of the Council of Ministers also hosts, arranges and decides the agenda for European Council meetings.
9. As a relatively small bureaucracy the priorities and projects of select top Commission officials can shape in significant ways the priorities of the whole Commission (see Hooghe 2002).
10. The abbreviations stand for: Union of Industrial and Employers' Confederations of Europe and the American Chamber of Commerce (Brussels).
11. The author is grateful to Lennart Lundqvist for suggesting such a matrix.
12. DG Internal Market's proposal required lowest priced or 'most economically advantageous' bid regardless of how polluting the bidding firm might be.
13. The Maastricht Treaty on European Union (Article 3b) mandated Community action 'only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by Member States and can therefore by reason of the scale or effects of the proposed action, be better achieved by the Community'.
14. For a perceptive analysis of the term and its ambiguous meanings, see Scott et al. 1994 and Weiler 1999, especially Chapter 5. For its application to environmental policy and governance, see Golub 1996 and Weale et al. 2000, Chapter 13.
15. The terms policy learning, transfer, diffusion, lesson drawing are used in different ways, or, confusingly, interchangeably. The use of 'learning' here shares features with 'policy diffusion' but the terms are distinct. Literature on policy diffusion is primarily concerned with *convergence* of policies. Policy learning, on the other hand, may result in convergence but it very well might not because the agents responsible for policy learning face genuine choices about whether, how and how much to alter existing policy. Policy learning, for instance, will not produce convergence if policies employed elsewhere are only partially adopted, 'tacked on' to existing policy, or otherwise significantly modified in the process (see Bomberg and Peterson 2000).

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## 4. Management by objectives and results: a comparison of Dutch, Swedish and EU strategies for realising sustainable development

**Lennart J. Lundqvist**

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### POLITICAL TERMS AND ECOLOGICAL CYCLES – CAN THE TWAIN BE JOINED?

#### **Doing Time on Earth: Politics as Ultimately Fenced by Natural Eco-cycles**

Earlier satellite pictures of ‘Spaceship Earth’ have driven home the insight that our home in the universe is a finite entity with finite resources. They made it dramatically clear that nobody can escape from doing his or her time here. Just as we are today fenced within the – astronomically speaking – infinitesimally thin biosphere surrounding Earth, so will our descendants be fenced for generations to come. Life is critically dependent on the sustainability of that thin layer. But population growth, water and air pollution, and possibly irrevocable climate change, threaten the long-term sustainability and productivity of the biosphere. Thus the critical question: How can we achieve long-term sustainable development?

The closing decades of the 20th century witnessed energetic efforts to come to grips with this question. A host of global initiatives were taken, whose fate depends on the political power and will among the leadership in the community of nations. But politics suffers from institutionalised short-sightedness. Political time is measured by distinct events that begin or end electoral terms with special meaning or importance. Reoccurring at two- to five-year intervals, elections strongly shape the views and uses of time among political representatives in the world’s democracies. Re-election by necessity becomes a major motivation for political action. Consequently, democratic politics is predominantly geared towards the ‘next budget’ and the ‘next election’. Thus, immediate questions of growth and welfare ‘here and now’ take precedence

over longer-term issues of sustainable development. In less democratic countries, many heavily struck by poverty, the fight to make ends meet and to stay in power make long-term perspectives even more untenable.

In essence, then, there is an inherent conflict between political time frames and ecological lifecycles. Short-term tactics and strategic timing may lead to a smoother functioning of the political processes of the day, but detract from the longer-term viability and productivity of our ecological life-support systems. The need to achieve sustainable development thus forces the leadership in democratic states to change their views of appropriate political time limits and adopt a longer-term, inter-generational time horizon. Those elected to power have to find techniques and strategies that effectively direct future decision-making onto a path towards sustainable development *without* at the same time bereaving future generations of the opportunities to make their own choices for the good life. The quest for sustainable development thus also brings with it a demand for long-term societal ‘self-binding’ within the limits of democracy.

The questions facing present-day political systems in their quest for sustainable development can thus be formulated as follows:

- Are there political approaches that enable societies to adopt – and implement – strategies that authoritatively bind future decision-making within the perceived boundaries of ecologically sustainable development, but still retain the legitimacy of democratic politics?
- What can be said about the conditions for the adoption, implementation and possible success of such strategies?

### **From Here to Sustainability: Reconciling Political and Ecological Time Scales**

The hitherto longest-term strategy for organising the society–nature relationship has been physical *planning*. Recent literature on environment and sustainable development discusses political responses as ‘strategic plans’ or ‘strategic planning processes’ (Jänicke and Jörgens 1998; Lafferty and Meadowcroft 2000: 356 ff.). But such a global use of the planning concept tends to cover everything, and thus to say little or nothing about specific strategies. In this chapter, planning refers to a *technique* for rational decision-making used in all types of long-term-oriented strategies.

One increasingly used strategy is to adapt socio-economic activity to the recurrent flows and processes in nature. *Eco-cycle adaptation* is fully achieved when ‘the handling of the flows of material and other resources, like land, is constituted such that natural eco-cycles can absorb waste products and renew the resources for future generations, and does so with preserved biodiversity’

(Ecocycle Commission 1997: 16 f.). Such adaptation may, however, create a temporal illusion. Leaks and loopholes in the cycle, huge inputs of energy needed to redirect flows of goods and materials, and new uses for the saved energy and materials, all detract from sustainability (Jänicke et al. 1999: 128).

The strategy of *increased resource use efficiency* is actually directed towards 'beating time'. A decrease in the input of resources to provide the same or a larger output of goods and services is viewed as enabling the transfer to the next generation of a sustainable society *without* sacrifices to present welfare. Linked to this strategy is a specific view of the relationship between economic growth, social welfare and ecological sustainability: ecological modernisation. The core of this view holds that building a sustainable society demands new, resource-saving and resource-efficient technologies, which provide a rapidly growing market and thus become an engine for growth and jobs (Gouldson and Murphy 1997: 74 f.). Environmental protection and economic growth are seen as a positive-sum game. Industry finds 'green' technology profitable, politicians can preach 'green' growth, and the level of socio-economic welfare can be maintained (Hajer 1995: 26 ff., 273).

All long-term strategies for realising sustainable development imply enormous challenges of coordination and overview for their implementation. Proponents of *management by objectives and results* (here designated as 'MBOR') hold that it provides a solution to this cognitive/informational capacity problem. The distinguishing feature of MBOR is that the *political* focus is on establishing long-time goals and objectives for managing large systems, while shorter-term decisions on the mix of instruments to effectively attain these objectives predominantly rest with those responsible for implementation.

However, whether or not the MBOR strategy actually takes on a self-binding and future-directing character is crucially dependent on the relations between political 'orderers' and administrative and other 'performers' of action. Policy-makers must be able to specify and get broad political acceptance for the 'what' and 'when' of *sustainable* development. Administrative and technological efforts must be made to specify timetables and methods for goal achievement, as well as to create comprehensive systems of monitoring and evaluation. This is necessary to provide the democratically elected policy-makers, as well as the electorate, with possibilities to 'check time'; that is, to assess progress and make necessary adaptations of the strategy (see Jänicke et al. 1999: 68 ff.).

Management by objectives and results can be a valuable strategy in democratic politics for sustainable development. Clear and sequenced goals and objectives, combined with a transparent information and feedback system submitting reports at predetermined intervals, provide not only politicians and administrators with opportunities to make autonomous judgements about progress towards sustainability. These features also enable ordinary citizens to

pass judgement on how their representatives handle the challenge of sustainable development.

At the same time, however, the inclusion into the MBOR process of target groups and affected interests in the operationalisation of objectives and targets, and the co-implementation through governments, agencies and target groups, raise issues of crucial importance to the realisation of sustainable development. One concerns the *authority* of political government in the governance for sustainability. Another concerns the long-term *effectiveness* and political *legitimacy* of the strategy: Does the inclusion and crucial role of target groups in the MBOR strategy affect the chances of goal attainment, for example, by bending the process towards ‘relatively more responsiveness to interests supported by those with greater resources’ and thus potentially away from overall sustainability concerns (see Langbein 2002)?

These questions about the MBOR run as an undercurrent in the following comparison of two national long-term environmental strategies in different stages of implementation (the recent Swedish and the mature Dutch cases), and help to structure a discussion of prospects for a similar strategy launched by the EU. A crucial part of the analysis concerns the institutional conditions – regardless of sustainability concerns – for the adoption and implementation of long-term, self-binding strategies of the MBOR type.

## MANAGEMENT BY OBJECTIVES AND RESULTS: BINDING THE PRESENT FOR THE FUTURE

### **MBOR: General Characteristics**

Management by objectives and results can be seen as an overarching principle for how to organise the relationship between policy-making and implementation in some sectors of society. Political representatives *make* policy: they formulate comprehensive long-term objectives and guidelines for action that allow for measuring progress towards goal attainment. Administrators *implement* policy: they determine the measures and methods to be used, most often in cooperation with target groups and other relevant actors, in order to facilitate goal achievement.

This process is often conceived as a continuous discussion among all the relevant levels and actors in order to break down and successively specify objectives for the levels concerned. MBOR is closely linked to elaborate systems for monitoring progress and evaluating results. This is fed back to those responsible at different levels, who are then expected to adjust implementation measures so as to improve performance and results. When cast in terms of rational government, MBOR shows several distinct characteristics:

- Responsible political units formulate overarching, generally applicable objectives in terms of desired outcomes on the basis of political priorities and state-of-the-art knowledge about the target area.
- Implementing units engage in breaking down general objectives into sub-goals for each organisational level, making plans and priorities and specifying time frames for accomplishment of intended results.
- Each level of implementation enjoys discretion in selecting those measures and methods considered most appropriate and effective, within the limits of promulgated laws and allocated budgets.
- Actors in implementing units engage in activities to implement plans, with emphasis on communication and a broad sharing of objectives, priorities and selected methods with relevant other actors.
- Institutionalised performance-review systems keep track of progress towards objectives and interim targets, and continuously monitor and evaluate results in terms of cost-effectiveness.
- Information is fed back to political decision-makers as well as throughout the levels and circles responsible for implementation of objectives, interim targets and sub-goals, to enable assessments of progress and performance.
- On the basis of validated progress, units politically responsible for the MBOR strategy make appropriate adjustments of goals, allocation of resources and methods for future implementation (Vedung 2000: 28 f.).

Cast in this way, MBOR can avoid the pitfalls that lie ahead of management by objectives and management by results if pursued separately and unwisely. The use of management by objectives can subside into quantification of outputs to meet 'objectives' unrelated to outcomes or performance rates. Management by results without conscious performance evaluation may prove costly, inefficient and unrelated to the long-term mission and objectives of public policy. However, continuous political evaluation and goal (re)formulation, together with conscious methods for internalisation of objectives and evaluation of performance, give greater promise for achieving desired outcomes (see Osborne and Gaebler 1993: 146 ff.; Jänicke et al. 1999: 68 ff.). It is important to note that MBOR involves political steering based *on* – and continuously readjusted *on the basis of* – the results found in monitoring and evaluation, rather than just steering *towards* the objectives themselves (Vedung 2000: 31).

Whether the MBOR strategy will take on a self-binding character thus clearly depends on how the relationships between the political *principals* (the orderers of action) and the *agents* (the performers of action) are institutionalised and organised into a coherent system of governance. This strikes an

important cord: present-day policy-making and implementation is more accurately described and analysed through the conceptual lens of *governance* rather than through a traditional focus on *government*. The state's role in governance is 'based on coordination and fusion of public and private interests' indicating that 'linkages upward towards transnational government and downward towards sub-national government should be more thought of as state *strategies* to reassert control and not as proof of states surrendering to competing models of governance' (Pierre and Peters 2000: 16, 25, 39, author's italics).

The formulation and – even more so – the implementation of policy increasingly involves target groups and other actors and interests outside the governmental realm. They are consciously made part of the process, and drawn into discussions, negotiations, and even agreements on what measures, methods and levels of performance should be used to accomplish expected results. In this pattern of governance, government does have formidable powers when it comes to *organising* and steering different aspects of societal development.

### **MBOR and Sustainable Development: Some Specific Issues**

The need for steering strategies is particularly obvious when it comes to realising sustainable development. This challenge presents governors *and* governed in all sectors of society and at all levels of government with uncertainties. *What* could possibly be deemed 'sustainable', and *when* could we accurately say such development is achieved? Given these uncertainties and the broad spectrum of actors and activities involved, the possibility of conflicts of interests is substantial.

This brings to the fore the necessity of making sure the strategies for sustainable development enjoy political *legitimacy*. Historically, institutionalised sectoral approaches to management may in fact run counter to an easily achieved adoption of the specific *problematic* presented by sustainable development. The *internalisation* of sustainability concerns into all relevant sectors and interests is thus a primary concern for those we have identified as the official 'instigators' of action in ecological governance (see Lafferty, Ch. 7, this volume).

The prerequisites for well-functioning, effective and politically legitimate *governance* for sustainable development are obviously much stronger than in a traditional sectoral *government* perspective. They include: (1) a strong political will and capacity to formulate clear goals; (2) conscious strategies for across-the-board internalisation of sustainability objectives; (3) continuous commitment to monitoring and evaluation; and (4) continuous dialogue among politicians, implementing bureaucracies and all relevant target groups.

Particularly related to the last point is the existence of institutionalised provisions and historic experiences of cooperative approaches to policy-making and implementation (Lundqvist 2001a).

For the MBOR strategy to become a key feature of rational governance for sustainable development (see Lafferty's introduction to this volume), several conditions should be fulfilled to provide reasonable chances for success:

1. establishment of clear and explicit goals with political and legal backing;
2. an institutionalised, explicit distribution of responsibility for goal elaboration and implementation among sectors, within a well-developed structure of inter-departmental and inter-sectoral coordination;
3. considerable discretion provided to sectoral actors with respect to the use of resources for, and methods of, implementation;
4. participation at all levels by relevant private counterparts and target groups in the elaboration and implementation of goals;
5. objective and regular feedback of results in target sectors, areas and themes; to enable political accountability as well as for adjustment of priorities and methods.

### **Comparing Different MBOR Strategies for Sustainable Development: Outlining Core Aspects for Analysis**

There currently exist few systematic treatments of the MBOR as a strategy for reaching sustainable development. What perhaps comes closest in comparative terms is the Berlin School's systematic overview of 'national environmental policy planning', which includes a variety of existing national 'strategies for sustainable development'. While there is no explicit discussion in MBOR terms of this variety of national 'plans', the comparative framework directs attention to such aspects as the quality of long-term objectives, sectoral integration and monitoring and feedback on goal achievement (Jänicke and Jörgens 1998: 34, 37 ff.). Neither do existing analyses of such comprehensive long-term strategies as the Dutch National Environmental Policy Plans explicitly refer to these plans as examples of an MBOR strategy (van der Straaten 1992; Liefverink 1999; van Muijen 2000).

However, the working assumption in this chapter is that a comparative analysis of national strategies in MBOR terms is applicable not only to the case of The Netherlands, but also to the more recent Swedish programme of National Environmental Quality Objectives (NEQO). To enhance the fruitfulness of such an analysis, the framework used here builds predominantly on the five elements presented above as necessary for a successful application of MBOR to realise sustainable development. The following categories are central to the comparison:

## A Quality of targets and base of strategy

- *Clear and explicit goals.* These can range from general commitments over strategic long-term objectives to specific qualitative goals, complete with time frames for achievement. Targets can furthermore be specified in terms of specific themes, sectors, or areas. It seems reasonable to assume that the more specific objectives are in terms of interim targets and delineated sectors and areas, the stronger the steering capacity of the strategy.
- *Political and legal base.* This aspect determines the authority vested in the MBOR strategy. Parliamentary decisions on objectives and time frames provide a stronger authority for MBOR than if it is merely a decision made by an individual ministry or agency. The strength of the political base is furthermore dependent on how governments secure support from sectors and target groups in the goal-setting process.
- *Financial base.* Specific budgetary allocations for MBOR implementation might be more favourable for success than if the integration of sectoral responsibility for sustainable development builds on the premise that implementing actors should make do within their ordinary budgets.

## B Institutionalisation of implementation

- *Integration of policies.* An effective MBOR strategy calls for extensive integration. Leadership and coordination may be located at the Cabinet or ministerial level. Other possibilities include vesting some specific agency or special council with powers to direct MBOR work across sectoral agency lines. Obviously, such integration is stronger the higher up it is institutionalised (see Lafferty, Ch. 7, this volume).
- *Target group involvement.* It is necessary for MBOR success that this involvement comprises the process of specifying targets and implementing measures. This may be done in several ways, ranging from regulatory specified involvement to negotiations leading to what is usually called voluntary agreements between sectorally responsible public bodies and organised target groups.

## C Choice of instruments

- *Discretion for implementing levels.* The coordinating level leaves each level of implementation to choose those regulatory, economic, informative or organisational measures and methods they find most appropriate and effective, within the limits of laws and budgets allocated. Of interest



here is whether voluntary agreements with organised target groups merely rest on, or actually go beyond, traditional regulatory and economic means of implementation.

#### **D Monitoring and feedback**

- *Monitoring.* The basis for monitoring is some continuously active network of measuring stations and activities covering the relevant geographical area of the MBOR strategy.
- *Evaluation and feedback mechanisms.* These involve ecological-performance indicators, showing in easily understood forms to decision-makers and citizens alike what results have been achieved and how they relate to progress on goals. Further mechanisms include direct reports to the relevant political level on an annual basis, for example, in relation to the state budget. Politically even more important would be comprehensive feedback reports published at intervals corresponding to election periods, thus providing for election-time public debate on the progress towards sustainable development.

### **NATIONAL ENVIRONMENTAL QUALITY OBJECTIVES (NEQOs): A SWEDISH STRATEGY FOR REALISING SUSTAINABLE DEVELOPMENT**

#### **Administrative Alert: The Origins of a New Strategy**

With great political fanfare, the Swedish Social Democratic Government announced in 1996 a programme for the 'greening of the welfare state' (Lundqvist 2000). The shift from traditional environmental policy to a strategy for sustainable development was, however, very much a result of bureaucratic initiatives. A 1996 report from the National Agenda 21 Committee pointed to the incoherence among a host of 'goal-like' expressions in Swedish environmental policy. A year later, a Swedish Environmental Protection Agency (SEPA) report found more than 170 'goals' in Cabinet and Parliament policy documents (SEPA 1997). The Agency proposed that they be condensed into 18 'environmental quality objectives' (Cabinet Bill 1997/98: 145: 37 ff.). The Cabinet announced in its spring 1997 Budget Bill that it was preparing a national strategy for sustainable development with three overarching tenets: protection of environmental quality, efficient use of resources and sustainable ecosystem productivity (Cabinet Bill 1996/97: 150).

On the basis of a strictly administrative and intra-governmental process, the Cabinet in May 1998 presented a bill proposing 15 'national environmental

quality objectives' (NEQOs) to be achieved 'within one generation', or by 2020–25. The Cabinet saw the NEQOs and their implementation as a 'system of government by objectives and results' providing the 'most effective way of governing a broadly conceived strategy for *sustainable development* with participation from all sectors of society'. The NEQOs would be developed further into sectoral (and geographical) targets, to be decided upon by the Cabinet. Involved public agencies and municipalities would enjoy wide discretion in selecting instruments to achieve the goals, and voluntary action by firms and enterprises was welcomed (Cabinet Bill 1997/98: 145: 38 f., especially 41; author's italics).

### **Political Positioning and Securing Societal Support**

Already before the Parliament voted on the NEQO Bill in April 1999, another phase in the Swedish MBOR process had begun. In June 1998, the Cabinet instructed 17 sectoral agencies and all the Regional Administrations (*länsstyrelserna*) to develop proposals for targets, sectoral goals and action plans necessary for reaching the NEQOs within their area of responsibility. The Swedish EPA was to provide co-ordination and support, and to make sure all agencies reported back to the Cabinet by October 1999.

The Cabinet now also widened the arena by appointing investigatory commissions to review the agency reports and evaluate the environmental, socio-economic, fiscal and specific sectoral consequences of targets and action programmes. Both the NEQO and Climate Commissions provide typical examples of how such commissions are used in Swedish policy-making as means for collecting knowledge, creating consensus and commanding the political agenda (Johansson 1992). The designated bodies are anchored in Parliament, with all Riksdag parties represented. The NEQO Commission comprised several central agency officers, and used experts from Cabinet ministries and organised interests. It cooperated widely with national agencies and the Regional Administrations, instituted thematic working groups and seminars with experts and organised interests, and held hearings with business organisations and NGOs to get wide support for the proposals (SOU 2000: 52: 93 ff., Apps III, IV and VIII). The Commission's final report was sent to the government in June 2000. Working in much the same way, the Climate Commission presented its report to government in April 2000 (SOU 2000: 23: 1 f.).

The next ('remiss') stage in the Swedish policy-making process provides opportunities for a very wide spectrum of Swedish society to file written comments on the Commissions' reports. A large number of comments were filed (180 and 144 for the NEQO and Climate Commissions, respectively). Business organisations were very active, while voluntary environmental

NGOs were less prominent (SOU 2000: 23, and 2000: 52). This reflects the relative lack of critical resources necessary for successful policy involvement and lobbying in the NGOs compared to business (Uhrwing 2001).

### Determining Deadlines and Selecting Strategies

The 15 NEQOs promulgated in 1998, and further elaborated by the two Commissions just mentioned, were again ratified by Parliament in November 2001. The goal expressed here is ‘to hand over to *the next generation* a society in which the *major environmental problems have been solved*’ (italics added). The structure of the MBOR strategy decided by Parliament in November 2001 is based on 15 thematic objectives (as shown in Table 4.1).

*Table 4.1 The 15 thematic NEQOs of the Swedish strategy for sustainable development*

Reduced climate impact	Good-quality groundwater
Clean air	A balanced marine environment, flourishing coastal areas and archipelagos
Natural acidification only	Thriving wetlands
A non-toxic environment	Healthy forest
A protective ozone layer	A varied agricultural landscape
A safe radiation environment	A magnificent mountain landscape
No eutrophication	A good built environment
Flourishing lakes and streams	

*Source:* Cabinet Bill 2000/01:130: 11 ff.

These objectives are first of all specified in *generational* terms. The state to be reached by 2025 is defined in terms of influence on human health, biological diversity and the possibilities for multi-purpose utilisation of natural resources. As for the NEQO of ‘No eutrophication’ (chosen here for reasons of comparison), the generational goal is elaborated in as many as ten respects (Cabinet Bill 2000/01: 130: 147). The generational objectives are then further specified as ‘Interim targets’. Sometimes as many as ten specific targets are formulated in terms of reduced environmental load or achieved environmental quality at certain specified deadlines. By way of illustration, the ‘Interim targets’ for the NEQO of ‘No Eutrophication’ are:

- 2009 (at the latest). An action programme in accordance with the EU Framework Directive for Water, specifying how ‘Good Ecological Status’ is to be achieved for lakes, streams and coastal waters.

- 2010. Anthropogenically caused emissions of phosphorous to lakes, streams and coastal waters should have decreased continuously since 1995.
- 2010 (at the latest). Anthropogenically caused emissions of nitrates to marine waters south of the Sea of Åland should be lowered by minimum 30 per cent from the 1995 level to 38 500 tons.
- 2010 (at the latest). Emissions of ammonium should be lowered by minimum 15 per cent from the 1995 level to 51 700 tons.
- 2010 (at the latest). Swedish emissions of nitrogen oxides to air should be lowered by minimum to 148 000 tons. (Cabinet Bill 2000/01: 130: 147)

The generational objectives and interim target are to be reached through strategies that coordinate measures towards several NEQOs at the same time. These *action strategies* are:

1. a strategy for more efficient energy use and transport;
2. a strategy for non-toxic and resource-efficient cyclical systems, including an integrated product policy;
3. a strategy for management of land, water and the built environment.

These three envisioned strategies clearly point further than just to the achievement of the NEQOs. It is notable that the Swedish government in its national report to the Johannesburg meeting repeatedly asserted its resolve to achieve all the three major tenets of sustainable development. The economic, social and ecological aspects are seen as equally important and mutually reinforcing (Cabinet Communication 2001/02: 172, *passim*).

Besides the *legal instruments* provided by and derived from the 1998 Swedish Environmental Code (and EU Directives and norms), the government particularly favours increased use of *economic instruments*. To take but one example, the ‘energy and transport’ strategy (relevant also to the NEQO of ‘No eutrophication’) builds heavily on a ‘green’ tax shift in the range of SEK 30 billion (€ 3.3 billion) up to 2010 (Cabinet Bill 2000/01: 130: 196 ff.). The ‘eco-cycle’ strategy envisages more ‘green’ tender and procurement procedures, in addition to an integrated product policy. With respect to ‘No eutrophication’ stronger regulations of chemicals, as well as development of means for returning phosphorous to agriculture are foreseen (Cabinet Bill 2000/01: 130: 210 ff.).

### **Institutionalising Intent and Evaluating Effects**

A major tenet for the implementation of the NEQOs is *sectoral integration*. By this is meant the infusion of responsibility for ecologically sustainable development into the mandates of public agencies and the activities of enterprises

and other organisations in various social sectors. Twenty-four public agencies – about 10 per cent of all Swedish agencies – are specifically designated. They are expected to identify their ecological roles; formulate action programmes with specified sectoral objectives and measures; assess the effects of these measures on the public economy; and finally to guarantee that sectoral action programmes are implemented by integrating them in all their decision-making. To facilitate this ecological institutionalisation, all public agencies should make Environmental Management and Auditing Schemes (EMAS) an integrated part of their processes (around 95 per cent of the agencies had begun this process in 2001/02 [SEPA 2003]).

Private actors are seen as already taking responsibility for NEQOs through their EMAS, ISO 14001 and other activities. The ‘progressive environmental work by business and industry’ indicates good prospects for *voluntary agreements*; another of the government’s instruments in the pursuit of NEQOs. Such agreements between the public and private sectors may supplement, or go beyond, existing regulation in order to find the most cost-efficient methods for approaching sustainable development (Cabinet Bill 2000/01: 130: 19 f.).

There is, finally, a build-up of *monitoring and evaluation*. Data will be provided from the already established National Environmental Surveillance Network, and there is an ongoing build-up of statistics on the use, accumulation, recirculation and productivity of materials and energy in society. A system of sustainability indicators (*gröna nyckeltal*) is under way to furnish decision-makers and the general public with information on Sweden’s progress towards sustainable development. The Environmental Objectives Council, established in 2001, is charged with coordinating the efforts of the authorities that have specific sectoral responsibilities for sustainable development. The Council reports directly to the government to provide the basis for the Cabinet’s annual report to Parliament on progress and problems in reaching the NEQOs. A more in-depth evaluation of the progress towards ‘Sustainable Sweden’ is to be delivered to Parliament every four years, coinciding with the election periods (Cabinet Bill 2000/01: 130: 223 ff.).

As mentioned earlier, green taxes are a means for achieving the NEQOs. But what about a specific *financial base* for implementing the Swedish MBOR strategy? It is notable that the Environmental Objectives Council and the Programme for Monitoring and Evaluation are the only parts of the NEQO strategy directly receiving funds for NEQO implementation. All other parts in the process, be they public agencies or environment-related programmes, are expected to find ways of fulfilling their ‘sectoral responsibility’ for sustainable development without additional fiscal allocations.

## Prospects and Perils: Balancing Sustainability and Democracy

The NEQO Bill was passed by the Parliament on November 22 2001. The 2003 evaluation report from the Environmental Objectives Council admits that the zero eutrophication objective ‘will be difficult to bring about by 2020’. Of the five interim targets outlined above, only the first will be fully met. All others will still be above target levels when their time is up, but can be met if ‘emissions and leaching . . . continue to decrease *according to plan*’ (EOB 2003: 24 ff.)

This clearly indicates some of the prospects and perils related to the Swedish strategy for sustainable development. *Provided* that the process is kept on track and schedule, Sweden will have an MBOR strategy in progress, with specified timetables for achieving objectives of sustainable development, and involving national, sectoral and regional/local activities. Sweden will also have a system for continuous review and measurement of trends and developments indicating whether and to what extent goal achievement is actually forthcoming.

Under the same proviso, the NEQO strategy would provide an example of ‘democratic self-binding’. The formal ratification of the NEQOs, and the action plans adopted by parliamentary vote, fulfils the democratic criterion. The elaboration of interim targets and sectoral goals further implies that responsible agencies and affected sectoral actors and interests may come to internalise the targets and timetables they have jointly designed and developed along the way. Furthermore, the system of monitoring and evaluation provides for the general public to make autonomous judgements about progress towards sustainability, and thus to hold political and administrative decision-makers accountable for the success or failure of the MBOR strategy.

There are, however, some perils to such a democratic and participatory road to sustainability. Both the NEQO body and the Climate Commissions maintained a top-down perspective. A content analysis reveals that their reports refer to individuals as ‘citizens’ only 16 times throughout their altogether 1,900+ pages. In fact, these Commissions view individuals mainly as customers and consumers. In particular, the Climate Commission primarily views individuals as passively reacting to market incentives, rather than actively participating in collective decision-making processes (Lundqvist 2001b).

It may prove precarious for the MBOR strategy’s political legitimacy if complicated value issues are left to be determined in the market or through agency-sector interest negotiations rather than through democratic decision-making. With reference to the NEQO of ‘No eutrophication’, two features should be noted.

First, five new Swedish Regional Water Directorates mandated under the

EU Framework Water Directive are empowered to determine environmental quality objectives for water. Linked as they are to the EU Directive, these objectives will be legally binding. They thus take precedence over the politically agreed water-related NEQOs decided by the Parliament.

Second, the specific arrangements for stakeholder participation through agreements on implementation and actual water resource management are principally linked to ownership of adjacent land, and not framed as rights of participation for all citizens in the municipalities within the catchment area (SOU 2002:105; see also the discussion in Aguilar Fernández, Ch. 5, this volume).

## NATIONAL ENVIRONMENTAL POLICY PLANS (NEPPS): A DUTCH STRATEGY FOR REALISING SUSTAINABLE DEVELOPMENT

### **Counteracting Compartmentalisation: The Origins of a New Strategy**

The historically developed compartmental structure of Dutch environmental policy was questioned during the 1980s. Efforts were made to cure the lack of coordination within environmental policy and between it and other policies by bringing about internalisation of environmental concern to make it a 'normal element in daily practice' in all parts of the public and private life. The 1984–89 Indicative Multi-Year Programme for Environment addressed different environmental themes and sought dialogue and cooperation with specific target groups as sources of environmental problems (Lieverink 1999: 258 ff.).

The Environment Minister used the political momentum of the 1987 Brundtland report to commission a 1988 report from the Dutch National Institute for Public Health and Environmental Protection (RIVM). This RIVM report indicated that present policy would not suffice to achieve sustainable development. For such development to occur, several types of emissions would have to be reduced by 70 to 90 per cent (van der Straaten 1992: 50). To get acceptance for a change in Dutch environmental policy, the Environment Ministry worked directly with lower levels in other ministries and then through a Steering Committee that comprised all Directors General from these ministries, as well as representatives of the RIVM (van Muijen 2000: 146; Bressers 2002).

### **Political Positioning and Securing of Societal Support**

The Dutch efforts to change from traditional environmental policy to a strategy for sustainable development ran into political difficulties just as the NEPP was about to be introduced. Problems emerged with respect to financing the

implementation of NEPP activities. The government thought it had found a promising formula by suggesting that part of implementing the plan would be to take away the possibilities of making tax deductions for travel to and from people's jobs. The Environment Minister found that as a Cabinet member he would have to support this measure, while as party representative he should be vehemently against. After the Cabinet later stepped down this aspect was dropped, and NEPP1 was unanimously passed by Parliament (van der Straaten 1992: 60 f.; van Muijen 2000: 148; Bressers 2002).

The 1993 Dutch Environmental Management Act makes it necessary for national government to enter into direct negotiations with provincial and local levels on joint implementation of policy objectives. Twelve provinces, about 600 municipalities and 120 water boards are thus to be involved in environmental policy. Results of the negotiations are 'worked out in administrative agreements between VROM, VNG (Association of Municipalities), IPO (Association of Provinces) and the UvW (Association of Water Boards)' (van Muijen 2000: 154). Such agreements have included substantial money transfers to provinces and municipalities (Bressers 2002).

There are signs of both conflict and efforts to reach consensus in the processes leading up to the different NEPPs. However, it was during, and above all after, the NEPP2 process that consultations really took off to bring target groups into discussions on how they might contribute to implementation. Based on the insight that earlier regulatory styles did not work, NEPP2 institutionalised incentives that encourage all groups in society to make decisions with positive impacts on the environment. About 200 specific actions were targeted for joint implementation by public sector bodies and target groups (Arentsen et al. 2000: 604; van Muijen 2000: 154 ff.; Bressers 2002).

It was earlier pointed out that Sweden is planning for a continued 'green' tax shift to spur sustainable development. With the release of NEPP3 the Dutch Cabinet reserved an extra Dfl 2.6 billion in the 1998 budget until 2010 to finance measures under the plan (VROM 1998). It should be noted that the Dutch tax system in 2001 generated a total revenue of Dfl 7.6 billion (€ 3.0 billion) by 'environmentally motivated taxes' on water pollution, energy, fuels, groundwater, waste and water supply. Most of these taxes go straight into the general budget. Exceptions are the tax on energy, which is 'recycled' back to consumers and industry, and the effluent charges that are earmarked to cover costs of water quality management (VROM 2001).

### **Determining Deadlines and Selecting Strategies**

As passed by the Dutch Parliament in 1989, the first National Environmental Policy Plan (NEPP1) stressed the need for a long-term shift to structure-oriented measures to achieve sustainable development. Fundamental changes



in the patterns of production and consumption were deemed necessary. Measures should be contemplated to make energy and resource use more efficient. NEPP1 included thematic objectives as well as specified target groups and their expected contributions. It should be noted that ‘squandering’ in this context stands for efforts to close substance cycles and improve resource management (see Table 4.2).

The NEPP1 target groups also included environmental, trade, research and education, and societal organisations. The NEPP1 themes were elaborated into specific targets to be reached at predetermined deadlines. The targets and deadlines for ‘No eutrophication’ were as follows (NEPP1 1988/89: 137 ff.):

- 2000 (at the latest). Restore the input/output balance of nitrogen (N) and phosphorus (P) in water and soil to safeguard all water and soil functions, that is, by 70 to 90 per cent.
- 1995 and 2000. Reach ceilings for N emissions entering Rhine and North Sea at 10 and 6 Ktons respectively (the latter less than one-third of 1990 level).
- 1995 and 2000. Reach ceilings for P emissions entering Rhine and North Sea at 8 and 4 Ktons respectively (the latter less than one-third of 1990 level).
- 2000. Achieve specified levels of N and P concentrations in freshwater and soil.

The targets and deadlines were to be reached through ‘structural source-oriented measures’ directed at *integrated lifecycle management*, *energy efficiency*, and *quality improvement*. The NEPP1 stated that there would be ‘vigorous continuation’ of efforts to enhance integration of instruments by making regulatory instruments more enforceable. Informative instruments were to be used towards private citizens and target groups. There is a strong emphasis on close cooperation ‘within central government, between the different levels of government, with target groups and in the international context’. This should involve ‘the target groups and the other levels of government in elaborating the NEPP in the form of environmental programmes and specific projects’. The consultations with target groups could result in *covenants* to supplement existing regulations (NEPP1 1988/89: 179 ff.). Economic and fiscal instruments were to be used, for example, to ensure that the Polluter Pays Principle is observed.

### **Institutionalising Intent and Evaluating Effects**

There have been several follow-ups of the original NEPP1. The so-called NEPP-Plus that came in 1990 did not differ much from the first plan, which in

Table 4.2 NEPPI theme target groups to contribute to achievement by 1995

	Agriculture	Traffic and Transport	Industry and Refineries	Gas and Electricity	Building Trade	Consumers and Retail
Climate change	X	X	X	X	X	
Acidification	X	X	X			
Eutrophication	X		X		X	
Diffusion	X	X	X			X
Waste disposal			X		X	X
Disturbance		X	X			
Dehydration	X			X		
'Squandering'	X	X	X	X	X	X

Source: Adapted from Liefferink 1999: 262 f.

effect built on a strong regulatory framework backed up by inspection and enforcement agencies. However, the NEPP2 accepted by the Dutch Parliament in March 1994 elaborated on the institutional pattern deemed necessary for successful implementation (van Muijen 2000: 156 f.). In the NEPP4, released in 2001, ten target sectors are identified together with seven environmental ‘problems’ which (it is claimed) – ‘if not addressed effectively’ by 2030 – will make sustainable development impossible (NEPP4 2001: 11 ff.).

A key tenet stressed is *sectoral integration*: ‘strengthening the cohesiveness of policy-making’ means further infusion of environmental considerations into other sectoral ministries. This should come through extensive inter-departmental as well as cross-level consultation and negotiation. It is held that the so-called ‘region-oriented’ approach strengthened coordination among several sub-fields of Dutch environmental policy (Lieverink 1999: 267). The concept of ‘customised implementation’ is used to define methods of target group involvement in the NEPP strategy. It is particularly emphasised that present and future *negotiated agreements* will be respected. Also discussed is a more deliberate use of economic instruments such as energy taxes (NEPP2 1994: 46, 179 ff.). An intensified use of fiscal instruments was further discussed in the NEPP3 released in February 1998 (Lieverink 1999: 266).

*Monitoring and evaluation* of progress towards Dutch objectives and targets is done in three ways. An extensive environmental monitoring network measures trends in environmental quality along the different themes in the NEPPs. The RIVM is responsible for publishing a report called the *National Environmental Outlook* in the middle of the respective NEPP terms (spanning four years). Performance monitoring is used to measure the overall cost-effectiveness of environmental policy. It serves as a basis for the Environment Ministry’s assessment of the current NEPP in the *Annual Environmental Programme* accompanying the VROM budget (van Muijen 2000: 156). Finally, negotiated agreements with target groups are monitored by steering committees that evaluate progress and, if necessary, enter into new negotiations (Bressers 2002).

## **Performance and Prospects**

Dutch NEPPs have been running in subsequent four-year periods since 1990. They combine legal and administrative instruments with a very substantial use of agreements negotiated with target groups to achieve long-term objectives. The question can be raised, of course, as to what impact this specific aspect of the NEPP strategy has had on the ecological features of sustainable development. The NEPP4 summary contains some interesting notes. Stating that most ‘priority substances indicated in the first NEPP present very few problems today’, the summary continues to say that policies have become more and

more integrated and efficient. This, however, 'has not led to the desired results with respect to several problems' (NEPP4 2001: 7 f.).

For the sake of comparison, we can again look at eutrophication. The Dutch standard for 'Maximum Allowable Concentrations' provides for 'summer averages' and 'desired quality standards' applicable to 'stagnant waters', mainly lakes and ponds, susceptible to eutrophication. Summer averages are not to exceed 0.15 mg/l total phosphorus and 2.2 mg/l total nitrogen, and desired quality standards of 0.05 mg/l total phosphorus and 1 mg/l total nitrogen have been established. The policy objective is that water quality should meet these desired quality standards, if possible before 2010 (RIVM 2001).

The 2001 RIVM Compendium reports that in sub-nationally managed water bodies and nationally managed freshwater bodies, nitrogen and phosphorus concentrations seldom met the objectives set for 2000. Nitrogen concentrations continued to fluctuate at twice the MAC level since 1990. However, phosphorus concentrations have gone down. In the Meuse and other freshwater bodies under national management there has been no observable decrease in concentrations for many years (RIVM 2001).

A 1997 evaluation of achievements regarding eutrophication and some other NEPP themes – later endorsed by the government – stated that the 'most significant pitfall . . . is formulating objectives without making clear how these can be achieved'. It furthermore concluded that the 'effects of multi-year agreements . . . have been relatively limited' (NEPP4 2001: 8). The government's response is telling. These agreements – a cornerstone of the NEPP strategy – 'did – in fact – result in increased efficiency, but *in retrospect, the impression is that the stakes could have been set higher*' (NEPP4 2001: 9; author's italics). A reasonably logical interpretation of this is that negotiations aimed at agreements tolerable to target groups run the risk of watering down objectives and requirements, and thus dimming the prospects of achieving sustainable development within the time limits originally established.

## MBOR AS A STRATEGY FOR SUSTAINABLE DEVELOPMENT: KEY LESSONS FROM THE COUNTRY CASES

### **Swedish NEQOs and Dutch NEPPs: To What Extent are they MBOR?**

We have so far treated the Swedish and Dutch strategies as if they actually fall within the realm of 'management by objectives'. With the comparative descriptions at hand, let us analyse the accuracy of this assumption in view of the distinct MBOR characteristics outlined above:

- *Clear and explicit objectives with political and legal backing.* Both the Swedish and Dutch governments have formulated overarching objectives in terms of desired end results that have been affirmed through decisions in the national assemblies. They explicitly refer to sustainable development and particularly address its ecological dimension. They enjoy legislative support, but are more on the side of long-term aspirations than fully binding law.
- *Goal elaboration and distribution of responsibility.* Both countries show explicit distributions of responsibility among sectoral ministries and agencies, as well as among different governmental levels, with regard to who should do what and when in terms of elaboration of general objectives into targets and deadlines. Centres and procedures for coordination of the process are also identified, as well as for internalisation of the ecological aspects of sustainable development.
- *Discretion in selection of methods and measures of goal achievement.* In both countries there is a clear ambition to provide the implementers of the strategy with considerable discretion in selecting the methods and measures they find most effective and/or feasible for achieving interim targets and, eventually, the longer-term objectives. In both countries, however, regulatory measures in the form of permit procedures, performance and environmental quality standards still constitute core elements in the national policies.
- *Monitoring and feedback procedures.* Both the Dutch NEPPs and the Swedish NEQOs provide for extensive monitoring networks and mechanisms for feeding information on goal achievement both upward to decision-makers and to the whole spectrum of levels and sectors involved in implementing the objectives. Particularly notable is that in both countries there are methods for feeding information to the highest political levels at regular intervals, thus allowing for political debate among decision-makers and the public.
- *Financing strategies for sustainable development.* Although Sweden foresees increased use of eco-taxation, there is thus far no provision for a specific financing of the NEQO implementation process *per se*. The only exception here is the increase in allocations to monitoring and feedback. In the Dutch case, extra money is reserved for financing measures under the NEPPs.

All in all it seems appropriate to conclude that to differing but clearly discernible degrees, both the Swedish NEQO and the Dutch NEPP show signs of the different elements considered typical for MBOR long-term strategies to achieve sustainable development. It is clear that the national governments occupy a crucial role in governance. They act as *facilitators* in the process of

implementation through their power to mobilise economic and other resources that help to bring different actor constellations together, and by way of lending political legitimacy to the process. They are furthermore the *prime movers* since they can use regulatory and financial powers to define the degree of discretion for the different actor constellations in implementation of the strategies for sustainable development. Finally, there are consciously elaborated systems for monitoring and evaluation of progress, linked to relevant time frames of democratic politics.

### **Conditions for the Adoption and Success of MBOR Strategies: Are Dutch and Swedish Experiences Transferable?**

As stated earlier, long-term strategies for sustainable development imply great challenges of coordination and overview. Management by objectives and results is assumed to offer some advantages in terms of solving this cognitive/informational capacity problem by delegating choices of implementation measures to those actually experiencing the problem. Still, MBOR as a strategy demands highly developed and institutionalised capacities for coordination and direction. The explicit involvement of target groups in implementation furthermore points towards some crucial institutional and other features that may be necessary for effective and legitimate cooperation in governance strategies for sustainable development. One is thus forced to look for special features and characteristics in those two countries that help us understand why the NEQO and NEPP strategies have been adopted and developed, thereby providing hints of the conditions necessary for actual progress towards sustainable development by using such strategies.

Both Sweden and the Netherlands do well in comparisons of environmental policy performance. They are regarded as forerunners and examples when it comes to developing progressive policies and measures (see, for example, Lafferty and Meadowcroft 2000a: 412 f.). Both are advanced industrialised countries with well-developed educational and social systems. They are small states, with long traditions of representative democratic government from the national down to the local level. Their public administrations are well organised, with well-educated personnel, loyal to the division of work and responsibility between democratically elected government and the bureaucracy. Both nations thus have the economic as well as the scientific and organisational capacity deemed necessary for pursuing innovative strategies for ecological governance (Jänicke 1997: 11 ff.). In particular, one should emphasise the comparative advantage of unitary political systems in formulating and pursuing coherent policies, mainly because of the relatively lower number of possible veto points within such systems.

However, structural systemic characteristics and capacities that lend effectiveness to long-term strategies like NEPPs and NEQOs are not enough. Even if they bring innovative techniques and effective performance to strategies for sustainable development, they may still score low on political legitimacy. If anything, efforts to involve target groups and interests in the implementation of ecologically rational strategies of governance are particularly motivated by the concern for political legitimacy. Such involvement is at the same time dependent on the degree of trust on both sides of the public–private divide. When relations between government and target groups have historically developed trust in the processes necessary to find solutions marked by consensus, the conditions are favourable to solutions building on high degrees of target group involvement and self-regulation.

Both Sweden and the Netherlands have post-war records of seeking consensual governance strategies. Sweden's post-war welfare state, the 'People's Home', was in large measure built through neo-corporatist cooperation between the state and large organised interests (Rothstein 1992; Öberg 1994). The 'pillars' were for a long time a crucial element in Dutch consociational politics (Andeweg 2000), and representatives of organised interests sat on boards and councils throughout the public sector (Oldersma et al. 1999). These historic patterns have no doubt played a crucial role in getting acceptance for one of the central features in the MBOR strategy; namely, the involvement of target groups in the selection and actual application of implementation measures in the Swedish NEQO and Dutch NEPP strategies (Arentsen et al. 2000: 604 f.).

These structural and cultural features of the Dutch and Swedish societies and political systems explain much of the 'forerunner' status these countries are afforded in environmental policy (Lafferty and Meadowcroft 2000b: 427, 432). Furthermore, these features seem instrumental for the adoption and possible success of MBOR as a strategy for realising sustainable development. It thus seems reasonable to assume that small unitary national states with political systems exhibiting clear distributions of power between politics and bureaucracy, and manifesting political traditions of cooperation and consensus, provide good prospects for the adoption and success of an *effective* and *legitimate* strategy for sustainable development.

Such 'diamonds' are, however, not necessarily forever. Recent political developments in Sweden and other so-called 'corporatist' states imply the emergence of more pluralist patterns that provide challenges to political systems trying to cope with such large tasks as sustainable development (Hermansson et al. 1999; Falkner 2000). Both countries are also linked to the Common Market and increasingly involved in EU action on sustainable development, thus reducing the potential for more specific national strategies.

This brings forth the question of the prospects for realising sustainable

development through coordinated MBOR strategies in such a political mega-entity as the European Union. The EU is characterised by complex and shifting bargaining alliances. Shifting majorities in the member states make for shifting views in the Council of Ministers. The short terms of Council chairpersonship provides for extremely short-term perspectives in political decision-making. There is a well-known 'democratic deficit' in that the appointed Commission is at the centre of longer-term EU strategic action more continuously than is the elected European Parliament. Bureaucratic EU policy-making is subjected to strong NGO lobbying and member state pressures; and policy implementation and monitoring is a matter for the member states, not the Union (Baker 2000: 304 ff.). What implications does this pluralistic pattern (see Bomberg, Ch. 3, this volume; Coultrap 1999) hold for the possibilities to adopt a comprehensive long-term MBOR strategy for realising European-wide sustainable development?

## THE EUROPEAN UNION'S STRATEGY FOR SUSTAINABLE DEVELOPMENT

### **Increasing Integration: The Base of the EU Strategy**

The process to integrate environmental concern into all sectors of EU action and thus promote sustainable development started at the Council meeting in Cardiff in 1998. The December 1999 European Council meeting at Helsinki invited the Commission to prepare 'a long-term strategy dovetailing policies for economically, socially and ecologically sustainable development' to the Council meeting in 2001. The spring 2000 European Council meeting in Lisbon set the objective for Europe 'to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion'. This Lisbon strategy for social and economic sustainable development was to be complemented with an ecological dimension, and to be made ready for presentation for the 2001 European Council meeting in Gothenburg.

Consequently, the EU strategy decided upon by the European Council in June 2001 recognised that 'economic growth, social cohesion and environmental protection must go hand in hand' (CEC 2001: 2). The 'Conclusions' of the Spanish presidency in March 2002 also state that '... integration and coherence of internal and external policies are indispensable to ensure that the EU's economic, social and environmental objectives are mutually supportive and that the EU effectively contributes to sustainable development at all levels'. To this end, there should be 'sustainability impact assessments' of the economic, social and environmental consequences of all major policy proposals (EU 2002a, Part III: 29).



## Selecting Specifics and Determining Deadlines

The overall long-term vision of the EU strategy is a ‘decoupling of environmental degradation and resource consumption from economic and social development’. This linking of the three major aspects of sustainable development implies a very broad perspective. The Gothenburg Council strategy thus focuses on a limited number of problems posing ‘severe or irreversible threats to the well-being of European society’. The ecological challenges envisioned here are related to climate change, chemicals, natural resource management and transport and land-use (CEC 2001: 2 ff.). The EU strategy contains a set of ‘headline objectives and specific measures’. The headline objectives and specific measures represent a mix of specific *outcomes* – results in terms of environmental quality – and *outputs* – EU measures to be taken and/or implemented at some specified point in the future. The matrix presented in Table 4.3 provides a selection of these headline objectives and EU level measures (CEC 2001: 10 ff.).

## Institutionalising Intent and Evaluating Effects

The efforts to make ‘sustainable development happen’ at the EU level include four major tenets of action: improved policy coherence; ecologically right prices through market-based approaches; better communication and the mobilisation of citizens and stakeholders; and international (‘global’) cooperation. As already mentioned, integration of environmental aspects into sectoral policies is deemed central to success. This is to be achieved by a series of interrelated institutional changes. The internal procedures of the EU Commission should be improved ‘to deliver more consistent policy proposals’; the European Council is recommended to change its structures to improve ‘coordination and consistency of the work of the sectoral Councils’; and the European Parliament is to set up a Sustainable Development Committee, with representatives from other parliamentary committees (CEC 2001: 5 ff. and 14).

At the same time, it is made quite clear that ‘meeting these objectives will also require action to be taken by Member States . . . in their domestic policies’ (CEC 2001: 10). The March 2002 conclusions of the Spanish presidency urge the member states to ‘promote, strengthen and complement’ the EU Sustainable Development Strategy by implementing such national strategies (EU 2002a, Part III: 35). Despite the calls for consistency, however, the sectoral Council structure nonetheless leads to different suggestions for strategy implementation. Thus, the ECOFIN Council report of March 2002 advises that member states be allowed ‘a high degree of flexibility in their choice of type and design of market-based instruments, as opposed to regulation, in

Table 4.3 *Headline objectives and timetables for selected EU environmental problems*

Climate change	2012–20: EU GHG emissions down 1 per cent annually from 1990 levels	2002: Energy Products Tax Directive adopted 2005: EU CO <sub>2</sub> tradable permit system 2010: fossil fuel subsidies phased out 2020: use of alternative fuels to take 20 per cent share of total fuel use
Chemicals	2020: no significant threat from production and use of chemicals	2002: European Food Authority 2004: new chemicals policy ready for implementation 2005: European monitoring and control of outbreaks of infectious diseases
Resource management	No date: decoupling of economic growth and resource use 2010: halt the loss of biodiversity	2003: strict environmental liability within EU 2003: system of biodiversity indicators 2003: operational system for Resource Productivity Measurement

environmental protection, as environmental and economic policies must *increasingly rely on market mechanisms and market-based instruments*' (EU 2002b: 5; italics in original).

The Brussels European Council in March 2003 found that 'the worrying trends observed when the Strategy was launched have not been reversed, and a new impetus must therefore be given'. The measures suggested give some implications of how the pluralistic, multi-level governance structures of the European Union affect the possibilities for the Gothenburg strategy. To ensure the 'decoupling [of] environmental degradation and resource use from economic growth', the Council '*invites*' member states to accelerate progress towards Kyoto Protocol targets by 'setting an EU-wide indicative target for renewable energy at 12 % of primary energy needs and 22 % of electricity

needs by 2010'. The Council '*welcomes*, subject to the opinion of the European Parliament, the agreement of Finance Ministers on energy taxation', and '*urges* the Council (ECOFIN) to encourage the reform of subsidies that are incompatible with sustainable development' (EU 2003; author's italics). The last point obviously refers to such deeply entrenched EU sectoral policies as agriculture and fisheries.

What then about monitoring, feedback and evaluation? First of all, an annual progress report on the implementation of the EU sustainable development strategy is included in the Synthesis Report from the Commission to the spring 2002 European Council. The Commission is to be supported in this work by a sustainable development 'Round Table', consisting of independent experts who will in particular make recommendations on better coherence in Community policies. These annual reports are to be complemented by a comprehensive review 'at the beginning of each Commission's term of office' (normally every five years). The review process will also be opened for stakeholder participation in order to 'increase its credibility and value' (CEC 2001: 14 f.).

The original Commission proposal foresaw a need to develop and use a number of new indicators. A limited number of 'headline performance indicators' were to be updated for the spring 2002 Barcelona Council meeting (CEC 2001: 14). While that Council did adopt a list of environment-related indicators included in the Commission's report, it also regretted that the Commission had so far not delivered reports and work plans for the development of new indicators as requested in December 2001. The Council furthermore called not only on the Commission, but also on EUROSTAT, the European Environment Agency and the member states to develop relevant indicators, all in order to enable the Council to adopt an 'appropriate set of indicators' in fall 2002 for inclusion in the 2003 and subsequent Synthesis Reports (EU 2002a, Part III: 34 f.).

The March 2003 European Council expressed concern about the effectiveness and coherence of existing processes for ensuring achievement of sustainable development objectives. However, the Council merely 'noted' the Commission's intention to continuously update and review the 'Road-map on the follow-up to the Göteborg conclusions' for each annual spring European Council meeting. Evidently, the complex EU structure and member state prerogatives on implementation make the implementation of the strategy for sustainable development a very intricate and highly political process (EU 2003).

### **Multi-level Governance and Management by Objectives and Results: Prospects and Problems for the EU Strategy**

Two major questions arise from this brief account of the EU strategy for sustainable development. One is 'how much MBOR is the EU strategy really?'

First of all, the need to integrate ecological concerns into EU sectoral policies is restated at the beginning of all relevant policy documents. Second, there are broad, long-term objectives formulating a desired future state, particularly evident for such areas as chemicals and resource management. There are, furthermore, more specific interim targets for the shorter term, and moves towards a more elaborate system of monitoring and feedback. Performance indicators are – belatedly – under way, and specific feedback reports at certain, politically crucial, intervals are foreseen. The discretion provided to those who are to implement the strategy is ‘in the nature of things’. Even if the Union emphasises certain implementation measures, the member states still have considerable leeway as to what should actually be done when and how.

The second question relates to the problems and prospects of MBOR success when scaled up to the multi-national level. The Swedish and Dutch cases gave reasons to assume that small unitary national states with political systems exhibiting clear distributions of power between politics and bureaucracy, and sharing a common political culture of cooperation and consensus, provide good prospects for the adoption and implementation of an *effective* and *legitimate* MBOR strategy for sustainable development.

However, the brief outline presented above of the EU as a political entity already implies a host of complexities and problems that may work against such a long-term strategy. As clearly documented here by Bomberg (Ch. 3, this volume), the European Union is a prime example of multi-level governance. Although bound by the Treaty, the members are *sovereign* states. The demands for integration and common decision-making differ between policy areas. The central and most binding mechanism of policy integration is the Single European Market, characterised by economic growth and development and, as far as possible, unfettered competition. The responsibility for different stages in the policy process is fragmented both within the central EU structure, and between the Union and the member states. There is bureaucratic policy initiation and formulation through the Commission and the Directorates. Political decision-making in the European Council and the Council of Ministers may become extremely short term, as each member state tries to push its particular agenda for EU development during its six-month term as Council Chair. Furthermore, the sovereign member states retain ultimate control over implementation, making the EU highly dependent on the member states for monitoring and feedback.

Indeed, the possibilities of a long-term, effective European strategy for sustainable development are restricted by the simultaneous EU application of the principles of *integration* and *subsidiarity*. When integration is applied, particularly through the policies for a Single European Market, uniform approaches and patterns are expected in such fields as energy and fossil-fuel taxation. Subsidiarity implies shared responsibility and thus a

greater freedom of choice for the sovereign member states, and even for jurisdictional units within the states. This is, of course, positive in terms of democracy and participation. It may create, however, formidable challenges to establishing an effective long-term strategy for ecologically sustainable development. Union-wide coordination of policies and strategies for sustainable development in effect becomes a two-front struggle. In the pursuit of integration, environmental frontrunner states must be *kept* in line and not allowed to create trade barriers or other market disturbances; while laggard member states have to be *brought* in line with EU policy. To uphold the principle of subsidiarity, EU policies must build on procedures and measures acceptable to all member states as well as to the strong NGOs, some of which are lobbying in Brussels to counter or soften national strategies (see specifically on this point Börzel 2003).

With respect to this continuous balancing of integration and subsidiarity, one should pay attention to a short note at the end of the environmental part of the summary from the March 2003 European Council. The Council wants to have the 'legal framework supporting Lisbon's environmental objectives' developed further. There should be final agreement, preferably by April 2004, on the Directive on environmental liability to enforce the Polluter Pays Principle. Member states should promptly adopt and ratify the Aarhus Convention on open access to information, participation and justice in environmental matters. The Council should adopt by mid-2004 'proposals for a Directive on access to justice and for a legislative instrument setting out how EU institutions will comply with the provisions under all three pillars of that Convention' (EU 2003). This in effect means a judicially guaranteed inroad for the general public and NGOs to challenge the EU and member state work – or lack thereof – on strategies for sustainable development.

The cultural inheritance of the whole EU project also has implications for ecologically sustainable development in Europe. The origin of the EU was a quest for economic growth and strength. One student of the EU asserts that the Union's wavering between objectives of sustainable 'progress', 'growth', or 'development' 'continues to slow down and at times even counteract efforts to promote sustainable development' (Baker 2000: 335). Furthermore, the member states participate and act much on the premises of their own traditional political cultures, in which what is effective and legitimate in the pursuit and exercise of political and bureaucratic power is differently valued. These differences also reflect differing levels of socio-economic development, which in turn spill over into shifting views on the priorities of *ecologically* sustainable development. As summarized by Baker (2000: 316), historically shifting commitments to environmental issues have 'meant a great deal of unevenness in policy take-up'.

## CONCLUSION

The complexities built into the pluralistic multi-governance system called the European Union thus seem less favourable than the structural conditions found at work in the Dutch and Swedish cases for adopting MBOR as an effective strategy towards sustainable development. And yet, there would seem to be elements in the MBOR strategy that might make it possible, and even quite suitable, for adoption at the EU level. Furthermore, there are also features within the Union, and developments in the member states, that point in this direction.

First of all, the breakdown of objectives into sectoral and regional/local targets, and the explicit transfer of the responsibility for selecting methods and measures of implementation to lower levels, seem to be compatible with the EU principle of subsidiarity.

Second, the use of such tools as legally binding Framework Directives is bringing about more unified member state measures for sustainable development. These Directives force member states to develop and adopt more uniform technical capacities for monitoring and evaluation.

Third, the continuous negotiation and bargaining over sectoral issues – increasingly cast in terms of sustainability – promotes political learning and policy integration that in turn enhances cooperation and consensus.

The crux of the matter, however, is the level and principle of *integration*. The Swedish and Dutch cases imply that MBOR strategies for sustainable development should be decided at the highest political level under the principle of – at least – equal weight to its economic, social and ecological aspects. As has been pointed out, the highest political decision-making level in the EU may not be ideally structured for committing the Union to long-term binding strategies that imply binding the scope of political action for the longer term to objectives other than economic growth and social welfare.

Structural reforms and changed political priorities are thus needed to adopt and implement European-wide MBOR strategies. These may prove difficult amidst the present drive for inclusion of more nations with even more diverse structural and cultural features than the present member states. One should be careful, however, not to underestimate the longer-term political effects of how the crucial issues in question are ‘socially constructed’ at the very top of the Union:

... the European Council assumes the central role in setting the direction for the Union’s economic, social and environmental action in order to meet the objectives of the Lisbon strategy to make the European economy *the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion*. (EU 2003; italics in original)

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## 5. ‘Sustainability is cool’: rhetorical participatory discourse in the Spanish strategy for sustainable development\*

**Susana Aguilar Fernández**

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### INTRODUCTION

Contemporary Spanish environmental policy, its shortcomings notwithstanding, owes its existence mainly to membership in the European Union. In Spain, economic recovery started comparatively late (around the 1960s) while social welfare lagged behind Western Europe until approximately a decade ago.<sup>1</sup> Inferior material status helps explain why authorities and citizens alike have traditionally been concerned with matters other than environmental protection, and why governments, first on the left (1982–96) and later on the right (1996–2004), have tended, in a fairly unsophisticated way, to equate the economic growth needed to reduce the gap in relation to Western Europe with acceptable levels of environmental pollution.

Consequently, when Spain joined the EU in 1986 its environmental profile was low. Some official reports even acknowledged that if the country had not entered the EU, a genuinely endogenous environmental policy would have taken much longer to take off (DGMA 1987). To illustrate, the 1972 Air Protection Law (the only relatively important piece of environmental legislation prior to EU accession) had been systematically breached by industries and its enforcement neglected by the authorities. The low profile of the environment is still reflected in the second-rank importance of conservation-related issues in Spanish politics, and in the weakness of the green movement at the national level.<sup>2</sup>

Thus, until relatively recently Spain has been an environmental laggard, following a wait-and-see approach in relation to EU legislation. Significant change did not take place until the run up to the Maastricht Treaty, when the discussions focused on the demand to create a financial instrument to help the poorer member states shoulder the expenditures associated with the implementation of EU environmental legislation. This new ‘activism’ has highlighted the alleged bias of a too narrowly focused EU policy, giving greater priority to industrial pollution-control issues advantageous to Central and

Northern European countries, to the detriment of other issues, such as soil erosion, which are crucial for Mediterranean countries. The fact that Spanish governments have become more assertive in pushing their own environmental agenda (Aguilar 1997b), together with the recognition that the distinction between environmental leaders and laggards in the EU is proving increasingly debatable (Kousis and Eder 2001), makes it in general more difficult to characterize the country's role in Community policy at present.

The heightened activity on environmental policy in Spain may also have to do with two other factors: first, the reform of voting procedures in the European Council, which, in giving more scope to the (qualified) majority principle on environmental issues, reduces the veto possibility by single member states; and second, the Nordic enlargement, which has tended to reinforce the role of the so-called 'green troika' (Germany, the Netherlands and Denmark) in making the EU agenda; not only because of the similarity of the environmental goals pursued by all these countries, but also because of the embedded tradition of cooperation between Sweden, Finland and Denmark. As summarized earlier (Aguilar 1997a: 165): 'In this new European framework, Spain will be mainly left with two basic options: the first, but most problematic, would be to resist the growing Northern pressure towards a more stringent pollution control policy by means of organizing stable blocking alliances (the negative approach), whereas the second would consist of putting forward its own proposals in a more consistent way, while trying to reach package-deal compromises with other EU member states (the positive approach)'.

As yet the second approach seems to have been more prevalent because the important financial implications of environmental policy for Spain appear to have been eventually grasped by the Commission, and also because the Spanish government is beginning to consider environmental issues as not only a financial burden but rather as an opportunity to modernize the industrial fabric. Moreover, the protection of biodiversity assets, which is strongly linked to country-tailored territorial planning schemes, has been emphasized by the Spanish authorities in an attempt to make the EU understand the need to adapt Community legislation to specific environmental and socio-economic circumstances. These two elements – 'ecological modernization' and 'country-specific environmental conditions' – stand out in the Spanish Strategy for Sustainable Development (SSSD 2001), which is now in the process of elaboration.

## ENGAGING WITH SUSTAINABLE DEVELOPMENT: A WELCOME BREAK?

In Spain sustainable development (SD) has not been perceived as something very different from EU environmental policy, in the sense that both of them

are exogenous, moving 'from the outside in' to Spanish politics. Accordingly, sustainable development, as with most other EU policies and directives, has not brought about any major political debate or inter-partisan dissent in Spain. This undoubtedly has to do with the ambiguity of the concept itself, and with the low relevance attached to environmental issues at the domestic level. Further, the concept's lack of precision, and the fact that it is more a normative term than a well-established practice, helps explain why SD seems to have been so uncritically welcomed by both state agencies and the major interest groups, and why 'sustainability talk' has quickly pervaded the political and economic discourse.<sup>3</sup> Not even the alleged Northern European bias of the concept has been subject to public consideration, despite the fact that Spain, as mentioned before, is proving increasingly reluctant to accept certain EU pollution-control policies that are said to benefit mainly Northern European member states. The limited public attention and discussion generated by the SSSD process is largely understandable in terms of the low political profile of the Spanish Parliament (which is linked to the 'presidentialist' features of the political system) as well as the weak influence of interest groups on environmental policy in general.

The fact that Spain cannot be considered a deliberative democracy because Parliament plays a minor role in a political process that is basically controlled by the executive must be taken into account when considering why the adoption of sustainability has not brought about significant inter-partisan disputes.<sup>4</sup> In spite of the wide array of techniques for the control of the government, which are in the hands of Parliament, this arena has not had a significant role in EU-related matters. The political debate has in fact been mostly determined by the Cabinet. In this sense, neither the Spanish Parliament nor the Senate is a key actor in the European construction process: 'Parliament's role has been reduced to formally transposing EU directives and to controlling the executive on a strictly reactive basis', whereas the Senate is irrelevant 'as an arena for intergovernmental bargaining' (Molina 2001: 118).

A clear example of the low political profile of the Parliament as a deliberative forum is the process leading up to, and resulting in, the SSSD. When the Minister of the Environment presented the document at the Parliamentary Committee of the Environment at the end of 2001, the political parties were not given the chance to modify or have an input into the document, while the Socialist Party (PSOE) representative (the main opposition party since 1996 and back in power since May 1994), who criticized important elements of the SSSD, was not asked to help improve the strategy.

Further, the 'quasi-presidential' nature of the Spanish political system, reinforced by EU membership, helps explain why elaboration of the SSSD has been almost exclusively undertaken by the executive. Thus, the fragmentation that has traditionally characterized the Spanish administration has been gradually

compensated for by a reinforcement of governmental authority, and also by the fact that sectorization has been increasingly confined to 'low politics' since 1986. Coordination of relevant political affairs is organized hierarchically, and this has enabled actors within the core executive to achieve a relatively high level of efficiency and coherence in the handling of strategic Community-related issues. Environmental decisions with clear-cut significant financial implications are, in other words, accorded high priority and informally conducted along hierarchical lines, thereby escaping fragmentation. Lacking such financial implications, they are subject to the same dynamics prevalent elsewhere.

The apparent strengthening of the 'presidentialist features' of the Spanish political system by the EU runs parallel to the limited Community influence on the politics (or institutional designs) of certain policies. This negligible influence does not contradict the undeniable convergence that some Community member-state policies, including environmental protection, are undergoing, but rather warns against exaggerating the extent of the convergence process, 'since national systems remain untouched in most of their institutional arrangements and still maintain their own dynamics' (Aguilar 1994: 42). In this sense European membership has not greatly changed the so-called 'statist' institutional design in Spanish environmental policy, characterized by a weakness of interest groups and a traditional reluctance of the administration to allow social actors to partake in the elaboration process. However, Community-originated pressures towards changing this state-centred and non-participatory design have been relatively strong because the regulatory activism deployed by Brussels in this area has made the Spanish environmental implementation deficit very visible.

This deficit may account for the emergence of some political initiatives that have been principally aimed at getting public and private actors to collaborate more closely so that the shortcomings in the application of policy could be gradually eliminated. Simultaneously an institution-building process has been set in motion with the objective of establishing permanent forums for the different actors with a stake in environmental policy. The most significant example of this process thus far is undoubtedly the Advisory Council for the Environment (ACE), created in 1994 under Socialist rule.<sup>5</sup>

The potential for change should, however, not be over-emphasized. Although Spanish environmental politics are undergoing some changes, traits from the traditional state-oriented approach are still in place. The distrust among the different actors in the policy network, and the tendency of the administration to undermine the role of interest groups in the policy-making phase, clearly exemplify this resilience (Aguilar 1997b).

A lack of definition as regards the meaning of SD, insufficient parliamentary debate, and a deeply rooted state-centred institutional design in environmental

policy, go far towards explaining why the adoption of SD has not been officially perceived as a challenging endeavour. On the contrary, working with sustainable development is seen as a 'welcome break' from the bulk of binding, standardized and stringent EU environmental policies. The fact that Spain is one of the EU member states with the highest number of breaches of Community green legislation (the European Court of Justice is currently assessing ten complaints against Spain in this area) should be taken into account when evaluating the welcome that sustainability has received in the country.<sup>6</sup> In other words, and in contrast with EU environmental directives, the European Strategy for Sustainable Development constitutes a project under development that is not perceived as having any binding force.

Accordingly, if national strategies fail to specify objectives, tools and deadlines (not to mention if they fail to acknowledge the non-sustainable character of their current economic models), no Community action will be taken against the states responsible. Thus the EU sustainability programme can be characterized by weak legal obligation, but relatively strong political commitment (see Lafferty, Ch. 7, this volume). Since political commitment largely depends, however, on the 'ecological awareness' of the member state occupying the semi-annual presidency of the Council (see Bomberg, Ch. 3, this volume), SD is likely to be subject to strong oscillations, ranging from summits, such as Cardiff 1998 or Gothenburg 2001 where it was prominent, to others, such as Barcelona 2002 where no reference to the concept was made.<sup>7</sup>

Finally, it appears that SD has been uncritically imported into Spain because of the fact that the most thorny elements of the concept, such as empowerment, local democracy and public participation, have been duly 'forgotten' in practice; while the most economic-driven ideas of ecological modernization have been consciously over-emphasized. When the SSSD was first presented in the summer of 2001, the Spanish Prime Minister, José María Aznar, stressed that sustainable development was: 'an instrument of progress [because] it creates added value, fosters employment and guarantees natural conservation without putting economic development in danger'. On the same occasion, the Minister of the Economy, Rodrigo Rato, put the emphasis on 'the need for the industrial green sector to be more enthusiastically supported by the government'; while the Minister for the Environment, Jaume Matas, referred to 'the dynamic nature of SD in terms of increasing firms' competitiveness and contributing to the creation of jobs and economic growth through the modernization of new technologies and products' (MIMAM 2001).

Thus the 'economic discourse' of sustainability advocated by the government (and also by major business interest groups) seems to be undermining the balance between economic development and environmental protection – to the detriment of the latter. Further, the responsibility of individuals, whose unsustainable behaviour and consumption patterns have contributed to

resource depletion, has been stressed by the official campaign linked to the SSSD, while the role of the government and public administration in the promotion of SD has been downplayed.

## THE DISTINCTIVENESS OF SUSTAINABLE DEVELOPMENT: THE NEED FOR NEW ENVIRONMENTAL GOVERNANCE

Since the main distinctive feature of SD, as compared to other global political programmes, is the need to dissociate economic growth from environmental deterioration (the challenge of ‘decoupling’), some authors have claimed that, in cases where conflicting interests arise, the political goal of protecting the environment should be prioritized in relation to the two other ‘pillars’ of SD, economic development and social welfare<sup>8</sup> (see Lafferty, Ch. 7, this volume). Debatable as this prioritization may be, it is true that national governments in the developed countries may find it too easy to place economic and social issues at the top of their agendas, leaving the problem of subsequent environmental externalities as a second-rank issue to be dealt with at a later stage. Governments following this course of action can invoke citizen interests other than conservation and environmental protection, or they can define ‘sustainability’ in line with particular national interests, so as to justify a more piecemeal approach. The first approach would be democratically based since authorities must accommodate people’s wishes; while the second would draw upon the undeniable fact that there are many different ways to promote SD. Both of these alternatives can, however, be labelled as ‘excuses’ because they allow governments to carry on with ‘business as usual’ (promoting economic growth and distributing, to varying extents and in different ways, the material gains amongst different sectors of society) while sticking to traditional and highly ineffective environmental policies.

Such a strategy would, however, run counter to Article 6 of the 1997 Amsterdam Treaty, which mandates that: ‘environmental protection requirements must be integrated into the definition and implementation of Community policies . . . in particular with a view to promoting SD’. This mandate reflects a growing global concern about the state of the environment and the increasing recognition of the limitations of the environmental policies of the 1970s and 1980s; these being a principal reason for the international welcome given to the idea of SD since the late 1980s.

Sustainability leads, then, to a questioning of existing environmental regulatory regimes, but it also asks if democratic political systems are sufficiently prepared to tackle the novel SD challenge. The first question addresses the need for new environmental governance, whereas the second deals with the

broader issue of potential conflicts between existing modes and norms of democratic steering and the presumed demands of sustainable development (Lafferty and Meadowcroft 1996; Lafferty, Ch. 1, this volume). Although the scope of the problem is logically different in both cases, some ‘conceptual borrowing between the general and policy-specific debates’ can be detected in the sense that ‘similar calls for a shift from reactive and narrowly conceived policy-making to the broader attempt at problem solving, the replacement of hierarchical state–society relations with network structures formed by a negotiating and jointly learning set of actors, and a facilitating and mediating state’ is occurring (Lenschow 1997: 4).

As regards the policy-specific debate, the multi-faceted, changing and, in many instances, cross-sectoral and transboundary nature of current environmental policy problems (acid rain being one of the best examples), has eased the transition towards a new mode of governance based on functional (between authorities and interest groups) and territorial (between national, regional and local authorities) cooperative patterns, new mixes of policy instruments (which go beyond regulatory, top-down, command-and-control tools), and a greater concern with policy enforcement and assessment rather than ongoing decision-making. New modes of governance are badly needed in European environmental policy since this sector embodies to perfection the complexity of modern transnational problems, and has generated considerable interdisciplinary debate as to the appropriate role and scope of international organizations, the state and subnational actors, including interest groups and the citizenry. Further, as already indicated, a substantial ‘implementation deficit’ in environmental policy explains why the sector is proving crucial to the discussion of governance models. See Table 5.1 for a comparison of old and new environmental governance.

As yet, however, the advance towards a new mode of environmental governance is uneven, both in the EU and at the member-state level (see Bomberg, this volume). Furthermore, not all the elements – be they structural, procedural or related to instruments – have been put to the test, nor are their results unequivocally positive. All in all, the key problem of effective governance does not necessarily lie in the complete replacement of old elements by new ones, but in the appropriate merging or mixing of strategies in accordance with the nature and goals of the SD programme (Lafferty this volume).

## TENSIONS BETWEEN DEMOCRATIC POLITICS AND THE SUSTAINABILITY PROGRAMME

Leaving aside the more practical difficulties of adopting and implementing environmental policies, a more far-reaching problem is the general adequacy



Table 5.1 Comparison between old and new environmental governance

Structural Features		Regulatory Style		Tools	
Old	New	Old	New	Old	New
Vertical distribution of powers					
Centralized	Decentralized	Hierarchical Interventionist	Cooperative Facilitative	Command-and-control Top-down	Market-oriented Self-regulation Communicative and learning
Horizontal distribution of powers					
Compartmentalization	Policy integration	Legalism	Flexibility Pragmatism	Reactive Curative measures End-of-pipe technology	Preventive Anticipatory measures Precautionary principle
State/society relationship					
Statism Corporatism Pluralism	Networks Partnership	Adversarial	Consensual	Regulation Governance	Deregulation Governance

Source: Adapted from Lenschow (1997).

of democratic procedures as a means of fostering SD. Numerous studies have long indicated that democratic regimes are qualitatively superior to authoritarian ones when it comes to promoting economic growth, social welfare and public policies (Dahl 1971; Maravall 1997; Fernández 2002). But the strength of democracy, in terms of its ability to respond to changing domestic priorities while also complying with international compromises and commitments, and in terms of its capacity to provide stable rules of the game or ‘contracts’ (frames of rationality) and arenas for the negotiation between conflicting interests (frames of bargaining), may prove a weakness for a comprehensive and effective pursuit of sustainable development. This is because sustainability needs a determined and fully-committed political mandate that transcends mutable partisan politics and electoral cycles and cannot be left to endless, time-consuming, resource-absorbing and lowest-common-denominator interest group-based political games. In this sense, ‘there is an inherent conflict between political time frames and ecological lifecycles, [because] democratic politics is predominantly geared towards the next budget and the next election [and] the immediate questions of growth and welfare here and now tend to take precedence over longer-term issues of SD’ (Lundqvist, Ch. 4, this volume, p. 95).

Yet, logically, SD cannot be pursued in the absence of democracy either (unless, of course, we presume a more authoritarian and less legitimate, programme – an assumption that both the UNCED and EU programmes for SD reject out of hand).<sup>9</sup> As viewed here, both ethical (the political value of participation in itself as a civic and educational mechanism) and practical (the instrumental value of participation as a means to generate social consensus) considerations underpin the necessity for participatory techniques when discussing SD in a UN/EU context. Coincidentally, participation in a broad sense, embracing social groups as well as different administrative levels and parties, is a crucial element of the debate on ‘good governance’.

All this implies that for sustainability, as an ‘outside-in’ programme, to succeed and pervade political discourse and practice, economic activities and, above all, collective and individual behaviour, it must first be debated in an open and participatory manner. At a minimum this is necessary for establishing a social consensus as to meaning and implications. It is also necessary, however, given the presumed impact of the concept – socially, culturally and economically – on the life of each individual citizen. Participation is also crucial because the SD endeavour entails decisions about policy priorities and results. It involves, in other words, ‘winners’ and ‘losers’. Several authors (including Lafferty in the Introduction to the present volume), have thus warned about the simplistic but pervasive view that SD can be achieved primarily through so-called ‘win-win’ strategies, thus ignoring its profoundly political and distributive nature. The characterization of sustainability as a

positive-sum game might hold true if future generations are considered to the detriment of present stakeholders – some of whom clearly will have to bear current costs of transformation – but this is hardly realistic.

Social participation must, therefore, be seen as a necessary (but not sufficient) condition for the success of sustainability. As stressed by Meadowcroft (Ch. 6, this volume), if target groups and individual citizens are not brought into the policy-making process, boycott strategies and enforcement problems will clearly arise. This does not imply, however, that participation as an end in itself is a ‘solution’ to problems of distribution and legitimacy. ‘While effects from a failure to consult can be relatively easily documented [in terms of] policy deadlock, and implementation difficulties . . ., the decisional consequences of particular participatory processes are more difficult to assess’, because ‘partnerships and civic participation do not always lead to anticipated outcomes’ (see Meadowcroft, Ch. 6 this volume). If sustainable development is, in general, presumed to represent an overarching ‘good’ (if only because it has been endorsed internationally by organizations such as the UN, EU and OECD), an outcome against sustainability can be labelled as a ‘bad’ decision, even if it is the result of a participatory process in a democratic system.<sup>10</sup>

In this context, two hypothetical scenarios related to strategies for SD can be outlined. The first scenario would point to the possibility that citizens or social groups, given the opportunity to participate, show limited interest, and, as a result, take little or no part in the discussion of SD. The second would address the possibility whereby, after a more or less all-embracing and well-organized participatory process, the majority decides *not* to support sustainability. Absenteeism or lack of participation, in the first case, and bad decisions following a deliberative process in the second case, can clearly impair progress towards SD. If these cases should occur, a ‘participation trap’ may snap shut because participatory mechanisms do not lead to the expected outcome in favour of SD. This trap, regardless of the particular shape it may adopt, would force responsive politicians to abandon, at least temporarily, the sustainable endeavour while waiting for a more favourable social context (Figure 5.1). Such a ‘trap’ could, of course, be overcome if politicians act as forerunners and pursue SD without consultation, on the understanding that society will follow suit once the benefits of sustainability have been perceived. Or they could behave like enlightened despots who believe that they know what is best for the citizens without the need to consult them (Figure 5.2).

As we will see below, neither of these scenarios applies to the Spanish case. On the one hand, with respect to the participation trap, the absence of influential participatory processes has characterized the SSSD, thus depriving social groups of the theoretical possibility of having a negative imprint on SD. On the other hand, with respect to the potential emergence of a ‘forerunner government’ countervailing an apparent negative participatory impact, the

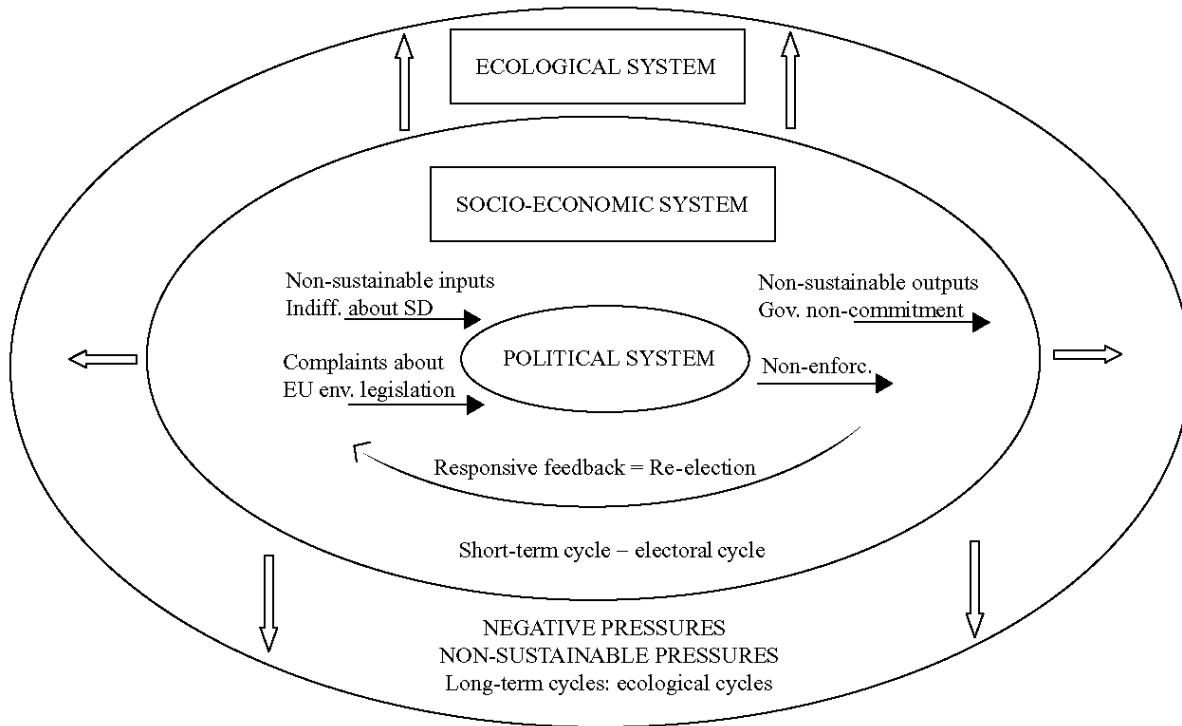


Figure 5.1 A responsive political system producing non-sustainable outcomes: the 'participation trap' (the paradox of political responsiveness in relation to sustainable development)

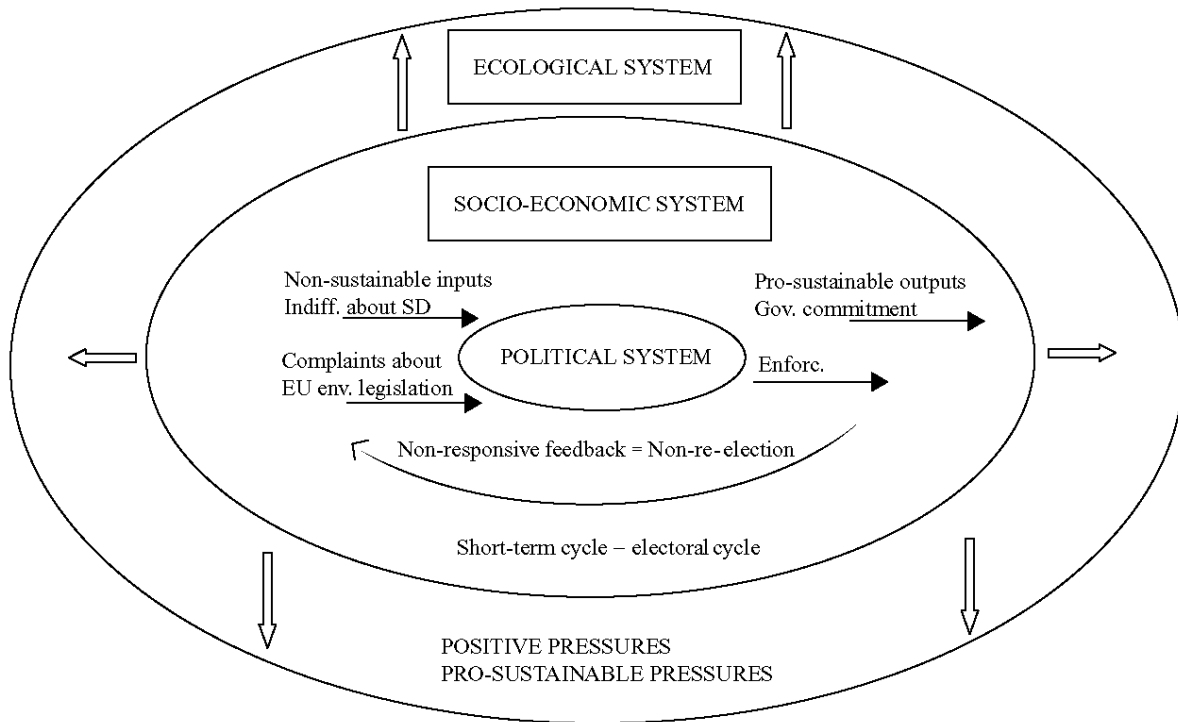


Figure 5.2 A non-responsive political system producing pro-sustainable outcomes (overcoming the 'participation trap' by introducing political unresponsiveness)

right-wing party (PP) in power in Spain (until May 2004) has not attached any significant relevance to the sustainability goal.

The notion of a ‘participation trap’ is nonetheless useful in the Spanish case since it highlights the possibility of a solution that runs counter to the universal (and not always empirically-tested) assumption that participatory mechanisms contribute to good decisions; but also because the idea can be combined with opposite scenarios (of non-participation or faked participation), which, according to ‘conventional democratic wisdom’, should generate bad decisions. So as to highlight this option for the Spanish case, we can construct a simple matrix of outcomes by crossing the dimension of ‘the responsiveness of government’ (to the outcome of the participatory processes), with ‘the prominence of SD in the governance system’ (Table 5.2).

*Table 5.2 The relationship between the prominence of SD and the government’s responsiveness to participation*

	Prominence of SD in the Governance System	
Responsiveness of Government Towards Participatory Processes	HIGH	LOW
HIGH	Sweden, the Netherlands <sup>a</sup>	Participation trap: responsive governments, which, following social disinterest in SD or a decision against SD, as a result of participatory processes, see themselves ‘forced’ to abandon SD (Figure 5.1)
LOW	Non-responsive governments, which, ignoring social disinterest in SD or a decision against SD, as a result of participatory processes, decide to promote SD (Figure 5.2)	Spain

*Note:* <sup>a</sup> The Swedish and Dutch strategies for SD are markedly participatory. (See Lundqvist, present volume.)

### **The Participation Trap and ‘Sustainable Development Constituencies’**

The participation trap could possibly be avoided (notwithstanding the possibility of governments acting as forerunners or benevolent despots), depending on how broad or how narrow the definition of participation is. If only the ‘interested parties’ or the ‘main agents in society’ (as decision 2179/98/CE of the European Parliament and the Council, related to the revision of the Community Programme ‘Towards Sustainable Development’, envisages) are called upon, then the problem of disinterest or an unfavourable outcome are less likely to emerge. The same holds true for stakeholders, whose effective involvement is, according to the OECD, one of the five criteria for ‘improving policy coherence and integration for SD’.

The notion of interested parties reflects itself in the EU concept of shared responsibility, which might be criticized, from a normative point of view, for its narrowness because it has been mainly applied to industrial-based groups while society as a whole comes into the picture mostly in the implementation phase, when individuals, environmental and consumer groups are encouraged to denounce the member states’ breaches of green rules in order to alleviate the Community’s enforcement problems.<sup>11</sup> However, from an instrumental point of view, which considers participation as a means to enhance the relevance of sustainability and not as a value in itself, the Community approach to participation is not without its logic for it gives more weight to the involvement of groups directly affected by SD strategies to the detriment of the least affected sectors in society. In this sense, it endorses a sort of division of labour between interested parties (basically economic forces, both public and private, which will have to adjust their actual practices to SD, but also, although not enjoying the same prominence, environmental groups, which will act as watchdogs of the first ones), who will have a relevant role in present participatory processes conducive to sustainability, and society as a whole, whose participation in the process will have to be fostered in the near future in an attempt to increase general awareness about the merits of sustainability.

Going back to the first hypothetical scenario, which derives from the participation trap, disinterest in the participatory process can be easily visualized in the face of extensive social ignorance (not to say indifference) about what SD means. If, on numerous occasions, an individual’s closely related life issues only mobilize limited numbers of people, what might occur with an idea that is still vaguely defined and appeals to normative concepts such as inter-territorial and inter-generational solidarity? Furthermore, the collective good that SD aspires to achieve (that is, the attainment of a model of economic growth that sustains itself in time because it promotes social welfare while reducing the subsequent externalities on the ecosystem) is characterized, as was shown before, by the concentration of costs (on the present stakeholders of mostly

developed countries) and the diffusion of benefits (for future generations all around the globe). And this will only exacerbate free-riding strategies, inaction or disinterest from the international level amongst countries down to the local one, amongst target groups. Even if particular individuals or groups feel strongly motivated to work in favour of SD, they may clearly perceive that their contribution is infinitesimal and that they may be better off by not participating at all, as Downs (1957) pointed out when analysing the rationality of electoral absenteeism. Uncertainty as to the behaviour of others as well as in relation to the best strategies to further its advance, adds more weight to the free-riding problem. However, when social groups in small scale communities 'are heavily dependent on a flow of scarce resource units for economic returns', they may be sufficiently encouraged to devise the necessary local regimes or institutional arrangements, with their specific mixtures of public and private instrumentalities, binding agreements and monitoring and enforcing mechanisms conducive to sustainable practices (Ostrom 1999: 182). But even if these elements are in place, and property rights can be clearly established, successful outcomes cannot always be assumed due to the complexity and incertitude that characterize the regulation of collective goods. If this is so at the local level, the progress towards sustainability at the international level, in the absence of institutions with a monitoring, and if necessary punishing role, and of precise and enforceable selective incentives, seems simply wishful thinking.

To make the attainment of SD even more difficult, the uncertain outcome of deliberative processes, or the possibility of the emergence of bad decisions that derive from the participation trap (second hypothetical scenario), must also be borne in mind. Deliberation may disclose the global importance of some long-/medium-term (frequently disdained) common interests (such as the need to use public transport in order to decrease the emission of pollutants that contribute to climate change) but it may also further enhance the relevance of some other short-term 'selfish' interests (for instance, the immediate sense of comfort and status when driving one's own car in a context of scientific uncertainty as to whether climate change is actually brought about by human activities or not).<sup>12</sup> All this seems to indicate that democracy by deliberation may not be the best means for unequivocally and in a timely fashion promoting the progress towards SD.

The possibility of bad decisions, and also disinterest, as a result of participatory processes notwithstanding, the two-fold issue of who should participate (the definition of SD constituencies) and of what type of participatory mechanism should be resorted to in order to suit the specific constituency best, with the aim of maximizing the chances of success of sustainability, persists. Meadowcroft distinguishes three types of constituencies: the 'stakeholder strand' (which could be assimilated to the interest groups, or the narrow SD



constituency), the ‘citizenship strand’ (or broad SD constituency) and the ‘communitarian strand’ (a third intermediate category whose definition is the ‘local communities’ entitlement to participate in decisions that affect their development’) (see Meadowcroft, Ch. 6, this volume). As regards participatory mechanisms, a continuum could be established with information (as the simplest and least ambitious mechanism of public involvement with no input into the final decision) and deliberation (as the most complicated and ambitious one because it provides a reasoned input) at its opposing extremes, and consultation in a middle position, although, as in the case of information, would not contribute to the final decision.<sup>13</sup> Combining the three types of constituencies with the three specific participatory mechanisms the matrix in Table 5.3 results.

Participation understood in a broad way, in the sense of addressing the citizenry as a whole, is part of many countries’ SD strategies. However, broadness may not only contribute to the participation trap, for it is most likely not to generate sufficient social interest, but, more crucially, it will probably hinder the emergence of critical public debate. This is so because ‘the most fruitful process will not necessarily be the one with the widest constellation of participants’ (see Meadowcroft, Ch. 6, this volume). In an apparently paradoxical way, a similar result can also occur if participation is understood narrowly, adopting the form of consultation (if not information) with interest groups, proper deliberation or discursive democracy (‘the ideal speech situation [which] permits deliberation about ends as well as about means’ (Elster 1998: 5) being duly forgotten. Participation as a ‘legitimation device’, in the sense that governments pay lip-service to the principle in order to justify their flawed strategies and continue doing ‘business as usual’, can therefore adopt both forms: broadness as well as narrowness.

This two-fold problem has clearly impinged harmfully on the elaboration of the SSSD. On the one hand, the SSSD constantly refers to the need to integrate citizens as a whole into the strategy and draws attention to the possibility of universal participation via the internet (broadness). Narrowness, on the other hand, is evident in that interest groups (or the stakeholders’ strand) have merely been consulted about the SSSD, their criticisms about the text being ignored. Yet deliberation between national authorities and interest groups is probably the best mechanism when it comes to promoting good-quality consensual sustainability at the state level. In other words, ‘the most fruitful avenues for participation in governance for SD depend on drawing together . . . representatives of the organised interests already entwined in the nexus of environmental problems’, or ‘partnership with key stakeholders’ (see Meadowcroft, Ch. 6, this volume), as the EU and the OECD have both recognized. Interest groups are not, however, the only existing SD constituencies and some analysis will be devoted to the role of experts and political parties

Table 5.3 Outcomes for combining different types of SD constituencies and decision-making processes

	Nature of the Constituency		
Type of Decision-making Mechanism	Broad: Citizens	Semi-broad: Local communities	Narrow: Interest groups/stakeholders
Information	Yes: civic/public education	Yes: civic/public education	Yes: information exchange
Consultation	Yes: participatory rhetoric	Yes: social learning No: local resentment and denunciation	Yes: social learning No: denunciation in the media
Deliberation	Unfeasible	Yes: consensual decision  No: deadlocks, enforcement problems	Yes: improved decision-making, consensual decision and cooperative implementation  No: deadlocks, enforcement problems, alternative proposals

(whose input in the SSSD has been clearly dismissed) as well as the state administration (ministries have regularly met in order to exchange information and contribute jointly to the draft of the SSSD) and the regional and local administrative levels, in the elaboration of the strategy.<sup>14</sup> Yet emphasis will be mainly placed upon the incoherence of a text that, although endorsing repeatedly the necessity of putting into practice participatory devices, has been elaborated without permitting social groups to have a significant role in the process.

## THE SPANISH STRATEGY OF SUSTAINABLE DEVELOPMENT: PARTICIPATORY RHETORIC VS PRACTICE

The SSSD is the first national environmentally related plan in Spain. Previous attempts at environmental bills of this sort under socialist rule were, for various reasons, eventually abandoned. There is, therefore, a significant time-lag between Spain and other OECD, and even many developing, countries, which 'introduced some kind of national environmental policy planning' in the late 1980s or early 1990s (Jänicke and Jörgens 2000: 614). Although such a time-lag might have proved beneficial if lessons about this type of planning had been drawn, no learning process seems evident. As has happened with many other green plans the participatory process has been weak, characterized by disinterest on the part of the citizenry and refusal on the part of authorities to let interest groups become actively involved. Since a process conducive to the modification and improvement of the strategy by social groups has been missing, the final result has been characterized by a disjuncture between intent and reality; between participatory rhetoric and participatory practice.

The first draft of the SSSD was entrusted to a private consulting group, which, after consulting different ministries, put their contributions together in a 'patchwork-like' document for consultation (*documento de consulta*), which lacked internal coherence, abounded in repetitions and, most importantly, failed to incorporate specific objectives, strategies and deadlines. It was hardly surprising, therefore, that, when the document – 'A strategy for the quality of life' – was pre-launched by the Spanish Prime Minister, José María Aznar, in June of 2001, environmental groups abandoned the venue in protest at the vacuity of the proposal. In relation to similar 'green plans' in other industrialized countries, where some are described as having only general goals and few specific quantitative targets (United Kingdom, Japan, Finland and Austria), while others are judged to have quantitative targets with specific time frames and concrete measures for implementation (the Netherlands, Korea, Sweden and Norway) (Jänicke and Jörgens 2000), the Spanish SSD clearly pertains to the first group.

Officially, the SSSD has been considered as an ‘instrument in progress’ to promote sustainability. In order to achieve this aim, the SSSD has explicitly endorsed the idea whereby ‘the cooperation and participation of everyone is fundamental’ and a section entitled ‘Take part’ at the official website ([www.esp-sostenible.net](http://www.esp-sostenible.net)) has been designed, using a questionnaire for comments and suggestions, to facilitate public involvement. Appealing in this way to the general public (as active Internet users!), the Spanish strategy has found a ‘legitimation device’ that permits the government to continue with ‘business as usual’ without the risk of coming under attack for a lack of non-participatory practices. The subsequent political discourse, drawing on the open access that the website offers for all the citizens, characterizes the SSSD as highly participatory, at the same time that the actual interest and involvement of the citizenry in the process (admittedly very weak) has been ignored.<sup>15</sup>

More specifically, the participatory process for the strategy can be assessed as being divided into three stages:

1. elaboration of the draft document;
2. institutional and public participation;
3. approval of the final version of the document.

Five work groups were also set up to debate different aspects of the strategy: (1) cohesion and social progress; (2) the economic model for SD; (3) the prudential use of natural resources and the protection of the environment; (4) the integration of the environment in sectoral policies; and (5) participation and institutional cooperation. It can be seen, therefore, that both the entire second stage of the process and a designated work group are formally devoted to the participatory dynamic. The work groups have involved the participation of 12 ministries, and over 120 officials attached to these ministries have contributed to the elaboration of the SSSD draft. This aspect of the process emerges as one of the few clear positive elements. The inter-ministerial cooperation has been accomplished in an administrative context that has been generally characterized by strong departmental autonomy – so strong that it resulted in significant problems of coordination. Given the emphasis of Jänicke and Jörgens (2000) on ‘the level and relevance of consultation and cooperation between the relevant sectoral ministries, especially during the drafting stage’ as an indicator of the degree of integration of environmental issues into other sectoral policies, the SSSD seems to rank well in this respect.<sup>16</sup>

### **Institutional and Public Participation in the SSSD: Falling on ‘Deaf Ears’?**

Focusing more closely on the second stage of the SSSD, there was a distinc-

tion made between 'institutional' participation and 'public' participation. The first mode has largely been centred around the Sectoral Conference on the Environment (CSM, an issue conference that brings together the MIMAM (Ministry of the Environment) and the different units responsible for environmental protection at the regional level) and the Spanish Federation of Municipalities and Provinces (FEMP). The regional officials responsible for the environment have met with the Minister of the Environment at the CSM twice: in November 2001, when they first had access to the SSSD; and in June 2002, when the same document (without incorporating the suggestions of citizens, environmentalists, the PSOE (Socialist Party), unions and entrepreneurs as well as experts) was presented again. At the meeting in June, the head of the MIMAM 'reprehended' the regions for not having contributed to the SSSD. This non-involvement might be explained by political (as well as time-related) reasons. Some regional governments have been working hard on their own strategies and do not show much sympathy towards a state-initiated project that is perceived as lacking quality and being alien to their interests (the case of the Basque nationalists who had already finished their strategy); or as non-participatory and closed to debate (the case of the Andalusian socialist government). As a consequence, the role of the CSM in the elaboration of the SSSD has been minimal, and the strategy has yet to be approved by this body.

At the FEMP, on the other hand, approval of the SSSD was part of a list that included seven other relevant matters. If it had not been for the PSOE and IU (United Left) opposition, which, on this particular occasion, outnumbered the PP representatives, the SSSD would have been passed without any debate at all. The socialists have demanded that a single-issue session at the FEMP be organized to debate the strategy (PSOE 2002b).

More general public participation in the process has been carried out at four different levels:

1. the Economic and Social Council (CES), a forum that brings together entrepreneurial associations, unions and consumer groups;
2. workshops with experts;
3. information forums and public debate in the media; and
4. an official website.

The last phase of the process involves the approval of the final version of the strategy by the Cabinet, once the main proposals for changes in the text have been assessed and either rejected or integrated into the final document.

In spite of the formal relevance attached to participation, which pervades the entire strategy, the current elaboration of the SSSD reveals that the PP government has distorted the public participatory process by merely interpreting it as information (with respect to the input from institutional actors and the

citizenry) or consultation (regarding the opinions and proposals of experts and interest groups). Firstly, the CES is an advisory forum whose decisions have no binding force on the executive. Secondly, experts have been simply 'sounded out' by the government in order for them to express their views on the document.<sup>17</sup> And, thirdly – and most significantly in relation to other national processes – the major environmental groups have been informed about the strategy but their input into the text has been ignored. Although the PP government has counteracted the criticisms about lack of participation by stating that the SSSD is still in progress, and that the second, participatory, stage, is not yet over, there is little indication that this is being accepted by the major groups. Finally, it can be pointed out that involvement of one of the main political actors in the process, the Socialist Party, has been absent from the outset.

When the SSSD draft was presented to the Committee on the Environment in the lower chamber of Parliament, in December 2001, the PSOE criticized numerous aspects of the document, most importantly: its economically-biased orientation, the absence of projects and plans and the non-accomplishment of authentic citizen participation. More precisely, on 18 December 2001, three proposals were sent to the MIMAM as to: (1) the need to debate the SSSD with the regions within the CSM, as well as at the local level through the FEMP; (2) the necessity to debate the document in the ACE (Advisory Council for the Environment), making its reports compulsory for all environmentally-related norms or programmes at the state level; and (3) the need to give full diffusion and transparency to the input and reports from experts on the SSSD.

No reply has yet been given to these proposals from the MIMAM. The PSOE's input to the process has thus not been taken seriously by the government, despite the fact that MIMAM officials clearly feel that much of the input could be constructive, and that, given half a chance by the government, the PSOE would gladly take a serious role in the process (MIMAM 2002).

The perceived rejection of the PSOE has led the party, under the guidance of Cristina Narbona (Secretary of State for the Environment under the last PSOE government, 1993–96), to organize a separate forum, with the presence of environmental groups, unions and experts, to debate an alternative strategy for sustainability. Four meetings were convened between December 2001 and March 2002, with different proposals put forward by different groups and individuals for the purpose of developing a common front against the SSSD. As a result, the PSOE has elaborated an alternative strategy, which was sent to the MIMAM in May 2002. There has as yet been no answer from the ministry either.

The absence of the PSOE from the elaboration of the strategy raises important questions about the political standing and feasibility of a commitment that, impinging upon future generations, must be based on broad partisan agreement so that electoral cycles cannot continually reverse major goals and commitments. This questioning draws undoubtedly upon the long-term vision

that is associated with SD, and the subsequent need to devise policies that are capable of surviving major political and ideological challenges. The SSSD lacks, consequently, institutionalization; here understood as the specification of ‘time frames for planning for SD beyond terms of office and legislative periods’ (Jänicke and Jörgens 2000: 624).

Vagueness on time frames is also evident regarding the absence of a deadline for the approval of the SSSD itself. In February 2002 the Minister of the Environment attended the Senate to discuss the strategy, but failed to clarify points related to procedures or deadlines, implying merely that the period of consultation was still open. In June 2002, in reply to criticism from some of the regional governments as to the lack of a time horizon for passing the final version of the SSSD, the head of the MIMAM admitted that ‘no dates were ready’ and that the Ministry was not ‘in a hurry’; despite the government’s commitment to having the strategy approved by March 2002 (*El País*, 18 May 2002, 22 May 2002). The strategy was, therefore, not ready for the Johannesburg Summit. In retrospect this might appear to have fallen to the advantage of the government, since, among its final conclusions, the Johannesburg conference refers to the need for states to finish their strategies as late as the year 2005. On the other hand, the conclusions reached in Johannesburg also stress (again) the vital necessity of effective participatory processes in strategy development and adoption.

In addition to the activity of the PSOE, the four most important nationally based environmental groups in Spain – Ecologistas en Acción, Greenpeace, SEO/Bird Life and WWF Adena – have, for only the second time in history (the first was related to the concerted campaign against the National Water Plan, NWP), presented a common front by means of the joint elaboration of an alternative document entitled ‘225 measures for sustainable development’. The document embraces a number of objectives and measures, which are ordered along 15 themes, to be pursued in relation to four general guidelines:

First, that the current economic model is unsustainable, and that the proposed SSSD does not acknowledge this in any significant way, failing – in contrast to other European strategies – to incorporate the costs of non-sustainability.

Second, that an effective SD demands political coherence, yet the proposed SSSD lacks a comprehensive political platform. Not only does the strategy fail to mention (much less integrate) previous important environmental documents, such as the Biodiversity and Forestry Strategies; but it fails to launch new reforms to promote sustainability, while a number of environmentally harmful projects, such as the NWP, the National Plan of Infrastructures and the Plan for Harbours, have not been made subject to public debate.

Third, SD must be underpinned by transparency and social participation, with participation understood as a right granted to all affected social agents.

The ACE should, therefore, be called upon to elaborate a report on the SSSD, and the reports elaborated by experts and organizations should be given full publicity.

Fourth, any strategy for SD should contain clear and quantifiable objectives, with specified targets and timelines, on the understanding that the implementation of strategy can only be adequately assessed if these elements are in place. The SSSD, however, does not incorporate these elements, and lacks clear answers as to the main factors of non-sustainability and the indicators that could lead to their monitoring and reduction. The alternative document puts forth, therefore, objectives, measures and indexes that – related to the 15 themes: climate change, energy, transport, territorial planning, tourism, water, agriculture, fishing, biodiversity conservation, forests, waste, industrial production, international cooperation, education and research, and participation and social awareness) – aim to further sustainability. The alternative strategy thus incorporates the principle that ‘the key question [of green planning is] whether goals are quantified and a concrete time frame is given’ (Jänicke and Jörgens 2000: 619).

### **Administrative Responsibility for the SSSD: Choosing a Unit Without Democratic Culture**

Participation as a legitimization device has also been made clear in the political decision as to which specific governmental unit should be given responsibility for the development of the SSSD. The unit formally responsible for the strategy is the Governmental Commission for Economic Affairs (GCEA: *Comisión Delegada del Gobierno para Asuntos Económicos*), which has set up an Inter-ministerial Commission for the Coordination of the Sustainable Development Strategy. The GCEA is a unit that directly reports to the Cabinet and falls within the core group of individuals and institutions that has direct access to the Prime Minister. An initial impression would indicate that the assignment points towards a high priority for the SSSD on the government agenda, since the GCEA belongs to the privileged set of actors that composes the core executive. Moreover, since the executive deals with top-priority EU issues, leaving more routine matters in the hands of a fragmented administration, this should also imply special consideration for the SSSD process within the PP administration.

A closer look at the placement reveals nonetheless a somewhat different picture. To begin with, the GCEA has only been given formal power over the SSSD since its elaboration actually falls under the remit of the MIMAM; more precisely, its Secretariat of State for Water and Coastal Areas (SSWCA: *Secretaría de Estado de Aguas y Costas*), which, in turn, has designated the Unit for Territorial Planning as the principal agency to undertake the practicalities of



the SSSD endeavour. Once again, in a formal sense, the assignment to the SSWCA is indisputable, as it is the highest-ranking secretariat within the MIMAM. As will be shown below, however, a different department should logically have been chosen. Spain is, however, not the only EU country to have assigned responsibility for the strategy to the Ministry of Environment,<sup>18</sup> so the nature of the assignment merits further consideration.

The first question that arises is why the MIMAM, and not another state department such as the Office of the Prime Minister or the Minister of Finance, has been entrusted with the SSSD? Along these lines, several officials have openly expressed doubts as to whether the MIMAM is, in fact, the best department to carry out this task (interview in the MIMAM 2002). It has thus been argued that the government is here advocating a traditional concept of the physical environment (air, water, soil), the deterioration of which has to be stopped and its quality improved. Such a view fails at the outset to grasp the broader and more complex concept of quality of life that is at the core of the SD concept. Assignment of the SSSD process to the MIMAM gives an early indication, therefore, of the narrowly construed understanding that the government has adopted towards sustainability.<sup>19</sup>

Furthermore, given (as previously argued) that entry into the EU has reinforced the 'presidential style' of the Spanish political system, the assignment of the SSSD to the MIMAM can be interpreted as proof of the low political priority attached to the strategy. If the SSSD was a major political concern for the government, a more powerful ministry, or unit within the core executive, should have been entrusted with its elaboration. The problem, in other words, is not so much that the MIMAM has been given responsibility over the SSSD, but rather that the MIMAM is a second-rank agency within the state administration, whose political profile has actually decreased during the second term of the PP administration (beginning in 2000).<sup>20</sup>

Leaving aside for the moment the decision by the government to place the SSSD under the MIMAM, there is the further question as to the allocation of responsibility to the SSWCA within the ministry. The reasons for this choice are less clear than those that underlined the inter-ministerial assignment. If the government had placed emphasis on the participatory aspect of the strategy, a different agency should have been chosen since the SSWCA has been characterized by a non-participatory organizational culture (in addition to having a very debatable reputation with respect to environmental protection). According to different sources interviewed at the MIMAM, the SSSD should have fallen under the remit of the General Secretariat for the Environment (GSE) because of its embedded tradition of involvement with environmental associations and various social groups.

A combination of the previous Institute for the Conservation of Nature (Icona), with a responsibility for conservation issues, and the erstwhile

General Directorate of the Environment (DGMA), entrusted with environmental quality matters, the GSE is used to dealing with interest groups in its everyday functioning. More importantly, it has in this regard, conducted and coordinated all the environmental programmes deriving from the commitments reached at the Rio Summit (for example, Biodiversity, Climate Change, the Nature 2000 Network, as well as the development of the RAMSAR Agreement on wetlands), allowing relevant groups to provide vital input to policy process. Perhaps the high point of this participatory practice was the adoption of the White Paper on Environmental Education of 1999, which was achieved (in line with *Agenda 21*) with ongoing participation and significant input from the major groups affected (MIMAM 2002). In this context it is strange indeed, that the SSSD appears to be the only major process in this area that has escaped the control of the GSE. The oddity is significantly indicative, however, since it seems to provide important clues as to the government's understanding and design with the SSSD process.

The SSWCA has traditionally been in charge of environmentally contested water works and infrastructures, and has been ultimately responsible for the making of the NWP, one of the most controversial and heatedly contested projects of the PP government.<sup>21</sup> Furthermore, not only has the Secretariat been perceived as an 'environmentally alien' unit, but it has also lacked the participatory organizational culture that has otherwise characterized the GSE's operations. In line with this performance, the SSWCA tends to consider environmental groups as enemies to defeat in a typically zero-sum game context. Logically, assignment to the SSWCA has led environmentalists to question why the SSSD was not prepared in the same way as, for instance, the National Biodiversity Programme, which, coordinated by the GSE, allowed participation by major groups, as well as the incorporation of regional governments, on a regular basis throughout a one-year deliberative process.

In sum, the 'legitimation device' employed for the SSSD process reflects, on the one hand, a very limited and questionable understanding of 'virtual participation' through a website, and, on the other, what appears to be a deliberate confounding of the participatory inclusion of interested groups. The decision to assign responsibility to the SSWCA clearly points to the conclusion that participatory strategies have been distorted and undermined in the course of the elaboration of the SSSD. As indicated above, however, the low level of active participation and policy input need not result in a weak strategy. Politicians and authorities committed to SD could undoubtedly produce a coherent, specifically targeted and binding strategy, simply because they can pool the needed resources to accomplish the task.<sup>22</sup> As we will see below, however, this has not been the case with the SSSD.

## RHETORICAL DISCOURSE AND A TEXT WITHOUT SUBSTANCE

Despite the fact that the strategy process has been permeated by SD rhetoric, one finds no serious challenge to the current dominant mode of market-driven economic development.<sup>23</sup> On the contrary, the SSSD document explicitly envisages that sustainable development will have to accommodate to current policies. Chapter 4 of the document reads as follows: 'The instrumentation of the SSSD must, in any case, obviously be compatible and coherent with the objectives of the social, economic and environmental policies of the Government'. In addition to lacking any expressed criticism of the Spanish economic model, environmental organizations have denounced the strategy as vaguely defined and lacking in precision (Greenpeace 2001). In the same vein, the PSOE has complained about the poor diagnosis relating to environmental problems and their causes; the non-existence of a hierarchy and priority list of those problems; the absence of an estimation of economic, social and environmental costs if the existing productive technologies remain in place; and, more broadly, the document's complacent attitude towards the government's policies (PSOE 2002a).

The SSSD starts out by acknowledging that the sustainable process is still in its infancy and that significant inertias that may hinder its progress are in place. The idea of sustainability as an embryonic process pervades the entire document, which refers continuously to 'transitional periods', as well as to the need to devise techniques in order to deal with the growing number of objectives that SD is linked to. Since sustainability constitutes a long-term commitment based on political and social consensus, while at the same time, 'one of the biggest threats to sustainability is the low degree of development of social awareness in relation to the deep causes of non-sustainability' (SSSD 2001: 82), the government seems to have found a perfect excuse for anticipating criticisms as to both the tempo and means for achieving sustainability. Following this anticipatory, and apparently self-serving, approach, the SSSD also refers to the need to recognize the limits of political action as a consequence of the logical limitations that the choice among conflicting objectives imposes.

The general tone of the SSSD is optimistic because SD is seen as an opportunity. The strategy is described as an opportunity to get to know the Spanish situation better, where opportunities are said to go hand in hand with positive measures in terms of job creation and the improvement of citizens' welfare. The document appears, however, to frequently mistake 'opportunities' with 'challenges'. When talking, for example, about the increasing number of elderly people (as an important element to bear in mind when analysing the social dimension of SD), the ageing process is portrayed as an opportunity, in the sense of being able to exploit the knowledge, experience and collective memory of the eldest with respect to traditional modes of sustainability.

At the same time, however, the need to create job opportunities, ensure social inclusion, and make progress in the provision of social services for the same group are also described as an opportunity, not as something yet to be accomplished. Finally, the trend towards ageing is portrayed later in the document, together with territorial demographic polarization, as one of the basic 'problems' of SD when promoting social cohesion.

The SSSD envisages that the progress towards sustainability cannot be dependent on universal principles, since SD is contingent and linked to the need to recognize the diversity of situations, problems and institutions that exist in every country: 'In no case does sustainability imply uniformity or renounce identity' (p. 26). The existence of *sui generis* elements in the Spanish context justifies, it is said, the adoption of a specific strategy. Yet this would seem to be in clear contrast to the standardized approach that characterizes EU environmental policy. In this sense, one of the main peculiarities of the SSSD is its emphasis upon territorial diversity from the very beginning.

Leaving aside the problem of a text that confines itself to presenting a more or less detailed description of the current economic, social and environmental situation in Spain in a rather uncritical way, the SSSD clearly fails to incorporate a diagnosis of sustainable-related future trends as well as the measures needed to promote SD. The strategy goes over the same issues again and again without giving any information about specific objectives and policy tools to accomplish SD targets. For instance, the SSSD envisages a need to foster sustainable behavioural patterns by economic groups in their roles as producers and consumers alike (firms, households and public administration), but no hint is provided as to how this change should be achieved.

One of the most outstanding examples of vagueness, however, is that relating to climate change. Although the SSSD stresses that Spain is one of the most vulnerable countries to climate change due to water shortage and an extensive coastline, the text does not refer to a single measure conducive to fulfilling the commitments of the Kyoto Agreement, despite the fact that Spain has clearly exceeded its emission quota by far. Although it has been argued that, in situations of uncertainty, 'it has proven easier to agree on a desired quality of the natural environment without prescribing in detail the instruments to be applied' (Jänicke and Jörgens 2000: 619); the SSSD is not characterized by flexibility of means either because neither clear goals, targets or policy instruments are spelled out.

Finally, lack of precision can be further connected to another of the major drawbacks of the strategy: its complacency as regards the prevailing economic model. The strategy states that: 'the SSSD must endorse the economic policies applied over the last few years and must be articulated in accordance with the rest of the actions to be developed in other realms'. Likewise, the idea advocated by both the current PP and previous socialist governments – that Spain

should reduce the welfare gap in relation to Europe at any cost – pervades the entire document. It is thus stated without reservation that: ‘production and employment rates should grow above the EU average in order to achieve the objective of economic and social cohesion’ (SSSD 2001: 108).

In a last effort to counteract mounting criticism about the SSSD, the PP government presented a new draft at the beginning of 2003. This version, which has replaced the document of consultation, has incorporated hardly any of the contributions from institutional and private groups.<sup>24</sup> The subordination of SD to economic needs has, however, been tempered in the new text, which also includes the reinforcement of the Inter-ministerial Commission for Sustainable Development as well as the enlargement of the activities of the CSM, which, in drawing on the FEMP, will also deal with the SSSD. Nonetheless, there are two major drawbacks to the draft: first, the Observatory of Sustainability – the unit that was meant to impartially evaluate, control and follow up the governmental policies conducive to sustainability – has been made politically dependent on the Inter-ministerial Commission for Sustainable Development, and structurally dependent on the MIMAM; a decision that seriously impairs its alleged neutrality. Second, the ACE, which drastically changed its composition under Minister Matas, leaving environmentalists clearly outnumbered by civil servants, is the only remaining organism allowing for social participation in the SSSD. Once again, these changes cast doubts on the future feasibility of a national strategy that is neither based on broad partisan consensus (being subject therefore to the oscillations of electoral politics) or willing to concede a voice to social organizations.

## CONCLUSIONS

Participation has been universally endorsed as a prerequisite for achieving sustainable development, not only because it fosters and spreads crucial applied knowledge (the educational mechanism), but also because the involvement of target groups in the definition and application of SD reduces the probability of subsequent deadlocks (the facilitative mechanism). However, if participation is merely understood as information, or as a general plea for citizens to personally become involved in the sustainable endeavour, without the establishment of effective institutions and mechanisms for involvement, the concept loses both its legitimacy and effectiveness. Similarly, if participation is limited merely to consultation with interest groups, the attainment of consensual SD is still undermined because unorganized actors with a stake in sustainability are not given the chance to express their voice and, hence, feel no commitment to its implementation.

That the SSSD has been affected by both problems is evident in the weakness of a document that omits a critical assessment of the current Spanish situation in terms of non-sustainability, and further fails to specify concrete quantifiable objectives and time frames. Although a medium- to long-term perspective is undoubtedly needed to evaluate how the different European strategies for sustainable development eventually play out and what their results will be, previous and current processes of elaboration of the strategies can be analysed in order to detect virtues and vices that will affect their future implementation. In this respect, the development of the Spanish strategy constitutes a case where the negative clearly outweigh the positive features. Formally speaking, the document is impeccable in its use of the ‘sustainability’ terminology, and in its presentation of a more or less detailed description about what the Spanish situation looks like in social, economic and environmental terms. Yet three important problems stand out: (1) a lack of criticism of existing policies, with an insistence that sustainable development will have to accommodate them, and not the other way around (‘self-complacency’); (2) the absence of specific implementation mechanisms – indicators, targets, instruments, timelines – to achieve sustainability (‘vagueness’); and (3) the obvious inconsistency of constantly referring to the need to promote social participation, without following this up in practice (‘rhetorical semblance’). The analysis in this chapter has placed particular emphasis on the latter weakness, given its crucial role in SD strategic processes.

Finally – and in the end perhaps most crucially – partisan consensus, as a necessary condition for the sustainability endeavour to achieve long-term consistency and effectiveness across changing political constellations, is also missing. Dialogue across party boundaries has been undermined, and the major opposition party has felt compelled to elaborate an alternative strategy. All this raises important doubts as to the political standing and the practical feasibility of the SSSD, and leads to the conclusion that governance for sustainable development is not effectively under way in Spain.

## NOTES

- \* For reasons of style (so as to avoid too many repetitions), sustainable development (SD) and sustainability are considered here to have roughly the same meaning. The author is grateful to Larry O’Toole for having helped her visualize the ‘participation trap’ in a matrix.
- 1. Although Spanish GDP per capita has reduced its gap with respect to the EU average by seven points since 1986, it still amounted (in 1996) to only 76.6 per cent of the EU average. The unemployment rate – bearing in mind a certain overestimation of the official statistics for Spain – is roughly double the Community average. Only with respect to social expenditures – having increased from 74 per cent of the EU average in 1986 to 82 per cent in 1996 – does Spanish convergence rank well (Martín 1997).
- 2. According to opinion polls, concern about environmental issues in Spain is similar to that found in other European countries. Also similar, if not higher, is the number of protests and

- contentious events associated with SD issues. This would appear, therefore, to disqualify an alleged low proclivity of Southern European citizens to undertake collective action (see Kousis et al. 1996). The main difference between Spanish and other European citizens lies in the low membership of environmental organizations, and in the difficulties these groups encounter when trying to transcend the local boundaries of protest, as well as the weak electoral support of green parties (Gómez et al. 1999).
3. Some recent examples of 'sustainability discourse' have been the reference of the previous president of the Balearic regional government to the erstwhile eco-tax for the islands as a 'symbol of solidarity with future generations', and the speech of the General Secretary of the PSOE, José Luis Rodríguez Zapatero, at the presentation of the socialist environmental policy, in June 2002, in which he stressed the need for the left to endorse a new vision of development as well as to introduce sustainability into the political agenda (*El País*, 9 May 2002, 4 June 2002).
  4. The Spanish Parliament is principally an arena for voting (ballots being known beforehand as a result of electoral arithmetic or the existence of majority governments), and occasionally for logrolling as a means of bargaining (if governments do not have a majority and need therefore to find allies on a permanent basis, as part of coalition governments, or on an ad hoc basis, depending on the issue under discussion).
  5. The ACE was set up, under socialist rule, to promote 'the participation of prestigious social organizations and individuals' in environmental policy. From 1994 until 1996, the working of the ACE was rather mixed. On the one hand it offered a new framework to openly debate some aspects of environmental policy but, on the other, its political leverage was low. The difficulties encountered in actually introducing changes in environmental policy was the main reason why Greenpeace and Aedenat (a nationally based ecologist group) left the institution in 1995. After the PP (Popular Party) came to power in 1996, tensions between the first head of the MIMAM (Ministry of the Environment), Isabel Tocino, and the environmentalists in the ACE were notorious. The situation since Matas replaced Tocino in 2000 became even worse because the new minister never summoned the ACE, thereby breaching the regulation that envisages four annual meetings. Further, reform of the ACE in July 2002 drastically curtailed the presence of the environmentalists from 11 members to two as well as reducing the number of the forum's mandatory meetings.
  6. The low quality of bathing water is the main reason why the country could end up paying a fine of 45 600 euros daily – thus making Spain the second EU state to be fined after Greece – was sanctioned for the lamentable state of a dumpsite in Crete in 2000. At the Barcelona Summit of March 2002, the EU member states were reminded that they had committed themselves to having 98.5 per cent of EU law adapted to national law. Spain is one of the six countries that comply with this objective, but it has accumulated over 700 proceedings for non-fulfilment of EU law, mostly in relation to environmental legislation (*El País*, 2 April 2002).
  7. SD was envisaged as one of the main objectives of the Spanish government when the PP assumed the presidency of the European Council at the beginning of 2002, but reference to it was eliminated in subsequent documents to the benefit of issues such as the fight against international terrorism, the development of a European foreign policy, or the liberalization of the electricity market. Moreover, an additional proof of the low priority attached to SD by the PP government is the fact that the Habitats Programme for Sustainable Cities has a marginal position within the Ministry for Promotion and has been basically maintained as a result of the interest shown by specific officials (Ministry for Promotion 2002).
  8. This prioritization mainly applies to the developed states, because (as pointed out by Meadowcroft, this volume): 'the rich countries have proven relatively capable of establishing structures and policies to promote economic prosperity and social welfare, but on the environmental front dramatic improvement is required'.
  9. For this reason: 'a strong presupposition in favour of environmental concerns vis à vis other sectoral concerns cannot be converted to an extra-democratic mandate, but it can be strengthened. Just how this principle of *prima inter pares* for environmental concerns can be applied in practice remains one of the most significant challenges of governance for SD' (see Lafferty, Ch. 7, this volume).

10. The probability exists that (as stated by Saward): 'If people can democratically choose, they will choose what is in their interest; and if it is not in their interest to choose environmental policies, then environmental problems will not be resolved . . . even if democracy has certain self-binding commitments, these are unlikely to include environmental values' (Saward 1993 – as cited in Hayward 1998: 99). Lafferty has also acknowledged that if policy priorities are to be decided democratically, environmental objectives will most probably not in every case override other societal objectives (see Lafferty, Ch. 7, this volume).
11. Following this idea, decision 2179/98 incorporates in Article No 4 the objective of 'studying ways of promoting a greater participation of the public in the application and enforcement of environmental policies, as well as considering, if necessary, mechanisms to improve access to the judiciary'.
12. Furthermore, if public policies and infrastructures (for example, the betterment of the short-distance train network) do not go hand in hand with the changes in behavioural patterns that SD demand, sustainability will inevitably fail.
13. These three types of decision-making mechanism do not coincide with the different modes of collective decision-making, which, according to Elster (1998), are voting, deliberation, arguing and bargaining. Furthermore, they fall short of the multiple techniques of participation that Meadowcroft refers to (in this volume). Yet they serve the purpose of highlighting the rhetorical participatory content of the SSSD.
14. Local communities (semi-broad constituency) will not be considered since they are the main actors of a parallel SD-related process: 'Local Agenda 21'.
15. According to the SSSD, public participation has a two-fold objective: 'to collect citizens' opinions and contributions and to trigger the necessary awareness and cooperation on the part of society in order to successfully sort out the common challenge posed by SD' (SSSD 2001: 5). 'A claim for broad participation can be found in almost all planning documents. However, in reality, participation is usually restricted, if present at all'. The Australian, Canadian, New Zealand and Dutch plans are, nonetheless, 'characterized by a higher level of consultation and participation' (Jänicke and Jörgens 2000: 623). The Dutch strategy (DSSD), for instance, will carry out a public consultation exercise by means of a survey scheduled for spring 2002 (DSSD 2000). Unlike the SSSD, however, the Dutch strategy will use consultation as a learning mechanism so that the government can become aware of the SD initiatives underway in society. Another difference is that the DSSD survey aims to be representative and envisages that certain social groups (such as young people, women and ethnic minorities) will be actively approached, in contrast to the Spanish text, which addresses the citizens as a whole and constantly refers to the all-encompassing participation allowed for. The author is grateful to Hans Bressers for access to this document.
16. In the Dutch case, the strategy was also the product of a Ministerial Policy Group, but the number of state agencies involved was more limited than in the SSSD (DSSD 2000).
17. The CES has mainly criticized the SSSD because it fails to include the costs of sustainability. As far as the experts are concerned, 126 were consulted by the government, and 74 submitted reports on the SSSD. An internal document to the Unit of Territorial Development, which was leaked to environmental groups, acknowledges that negative assessments outnumber positive ones, and that experts agree in defining the text as incoherent, imprecise and blurred (SEO/Bird Life 2002).
18. In almost all the 23 countries analysed by Jänicke and Jörgens (2000), 'the leading authority in the planning process has been the ministry of environment' (p. 622).
19. The MIMAM itself has had to fight within the state administration in order to make other departments understand that sustainability was beyond its capabilities. As regards, for example, the international dimension of the EU Strategy for Sustainable Development to be presented at the Johannesburg Summit (WSSD [World Summit on Sustainable Development]) (the organization of which has partially fallen under the remit of the Spanish presidency), the General Subdirectorate of International Relations in the MIMAM had to struggle with other ministries (above all, the Ministry of Foreign Affairs) to make them realize that the task could not be left in the hands of the ministry alone and that a concerted effort was needed. Poverty eradication and change in consumption patterns, just to mention a few examples that are part of any sustainability initiative, have never been



- MIMAM's concerns. Eventually, and after some initial resistance was overcome, an Organizing Committee, coordinated by the Ministry of Foreign Affairs, was established with the aim of conducting the meetings amongst the different ministries (the same ones that participate in the elaboration of the SSSD) in order to prepare the external dimension of the strategy (MIMAM 2002).
20. The replacement of Isabel Tocino (1996–2000) by Jaume Matas (2000–03) as Minister of the Environment was interpreted as a lowering of the ministry's standing because Tocino, her clashes with environmental groups notwithstanding, supported the environmental cause more actively, thus leading, on two occasions, to direct confrontations with the Spanish Prime Minister, José María Aznar (in relation to the layout of a motorway and to the hunting of certain protected birds). The uninspiring performance of Matas, who, as subsequent political developments have demonstrated, was made Minister for the Environment in the knowledge that he would then stand as the PP's candidate for the presidency of the Balearic Islands regional government, provoked a general sense of discouragement and disorientation in the MIMAM, according to officials interviewed from the ministry. In accordance with the rumours that had been circulating for some time, Matas indeed abandoned the MIMAM in order to stand in the elections of May 2003. As a result, he became president of the Balearic regional government, having repeatedly promised during the electoral campaign to overturn the eco-tax passed by the red–green administration. Once in office, Matas chose Mariano Servera, a well-known opponent of the previous administration's conservation policy, for a high-profile position in the Balearic Institute of Nature. Servera had gone on several marches in protest at the designation of certain private properties as natural parks, something that Matas, as Minister of the Environment, also rejected. The MIMAM was then turned over to Elvira Rodríguez, an economist, who, having been promoted to ministerial status by the Economics' Minister, Rodrigo Rato, also failed to make the SSSO a priority.
  21. With the final approval of the NWP in the Senate (June 2001), the PP opted for a traditional (though conflictive) policy of transfers to sort out the water deficit in certain regions and to increase the surface of irrigable lands. In order to meet these targets, the plan envisages the building of 118 dams as well as numerous irrigation infrastructures. Its important environmental impact was acknowledged by the Commission of the Environment of the European Parliament (EP), which referred to the negative example set by the NWP in Europe because it did not tackle the sustainable use of water by means of pricing mechanisms and other conservation measures. Finally, the chamber has approved a document that, without mentioning the NWP, discourages the granting of EU funds to water projects that are not in agreement with the principles of SD. The proposal whereby a specific reference to the NWP, as an example of non-sustainability, should be made, was rejected by 263 votes against 147 (*El País*, 1 March 2002).
  22. Governance for SD brings the state, or national governments, 'back in' because, once democratic procedures have been applied, an authoritative decision to implement the measure adopted is required. The idea of the government as facilitator does not, in other words, run counter to the fact that SD requires full commitment and undeniably ultimate responsibility on the part of the state. Following the Rio Principles, the challenge of SD must be addressed by signatory governments to the UN accords.
  23. This feature is hardly peculiar to the SSSD. Lenschow (1997: 23) points out that for most EU member states, 'the clearest evidence of change [is] at the level of policy rhetoric'. With respect to the UK, for example, she also states that: 'so far development of the political culture for sustainability is on a very small scale, and can only be described as marginal in terms of public investment, political debate and public awareness' (p. 20).
  24. These contributions have been put together on a CD, which has received very limited circulation, under the following headings: The regional governments (containing the reports of only nine out of the 17 regions); The CES (a lengthy text with numerous criticisms of the SSSD); The experts (an 829 page-document that summarizes the frequently critical opinion of 71 experts); The institutions and organisms (embracing 16 contributions from very diverse actors, such as the Royal Academy of Science); The environmental groups (which reproduces the document entitled '225 measures for sustainable development'); and Public participation via the web page.

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## 6. Participation and sustainable development: modes of citizen, community and organisational involvement

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The enhancement of public participation in environment and development decision-making is generally understood as an essential characteristic of governance for sustainable development. *Agenda 21*, for example, described ‘broad public participation in decision-making’ as a ‘fundamental prerequisite for the achievement of sustainable development’ (UN 1993: 219). And the OECD has argued that ‘well-designed consultation and participation processes’ are ‘especially important’ in relation to ‘policies promoting sustainable development, because of the multiplicity and complexity of these goals’ (OECD 2001a: 103). But participation can take many forms, and its place within the framework of democratic institutions can be understood in various ways.

This chapter explores the role of public participation in decision-making for sustainable development. It is concerned with the *normative arguments* justifying participation; with the *mechanisms* through which such participation can be organised; and with the contribution that different *participatory traditions* can make to the realisation of sustainable development. It argues that governance for sustainable development requires the integration of ideas and practices associated with three distinct participatory currents – the *citizenship*, the *community-based*, and the *stakeholder* orientations. But it also suggests that of the three, the stakeholder orientation, with the group-based processes it legitimates, is particularly important. Thus, effective participation in governance for sustainable development will be found to depend somewhat less on the mobilisation of the ‘noble citizens’ and ‘dynamic communities’ so beloved of democratic theorists and green activists, and rather more on interactions among representatives of the organised interests that are already enmeshed in the nexus of environmental problems.

The discussion will proceed in four steps. The first considers the importance of participation in governance for sustainable development. The second

examines three traditions of argument about participation in environmental decision-making. The third explores the mechanisms through which participation is actually organised. And the fourth assesses the contribution that the different participatory traditions can be expected to make to governance for sustainable development.

## PARTICIPATION AND GOVERNANCE FOR SUSTAINABLE DEVELOPMENT

During the past decade and a half, sustainable development has increasingly been accepted as an objective of government policy in the developed countries. The successful balancing of economic, social and environmental goals is understood as central to this project. But the 'pillar' of sustainable development that the international community has consistently emphasised in relation to the developed states is *environmental* (Lafferty and Meadowcroft 2000). The rich countries have proven relatively capable of establishing structures and policies to promote economic prosperity and social welfare, but on the environmental front, dramatic improvement is required. The challenge for these states is to reconcile continued economic growth with a radically reduced environment burden: in other words, they must effect a 'decoupling' of economic activity from environmental loading (OECD 2001b). In global terms the significance of this decoupling is particularly evident with respect to climate change, where IPCC (Intergovernmental Panel on Climate Change) scenarios suggest that stabilisation of the climate system will eventually require a decline in carbon dioxide emissions to *a small fraction* of current levels (IPCC 2001). But threats to long-term ecological integrity are manifest in many other areas including water use, the management of forests and fisheries, pressures on land and the disposal of wastes (EEA 1999). Thus, sustainable development can not be reduced to a preoccupation with citizen 'quality of life'. Such an approach risks obscuring the magnitude of the environmental challenge that must be met if developed states are to ensure that diverse and flourishing environmental endowments are left for future generations, and to make room for the increased environmental 'space' that developing countries will require if they are to meet the basic needs of their populations.

The centrality of environmental constraints to the sustainable development problematic in the developed world provides the best point of entry into the issue of governance for sustainable development. For in these countries the issue can be understood as one of reforming the collective governance of social/environmental interactions so that further economic advance will not be predicated upon (or incidentally provoke) continued degradation of natural systems. It is a question of developing institutional capacity to steer societal

development within the parameters of ecological sustainability (Meadowcroft 1997).

There has already been considerable discussion about the characteristics of environmental problems that make them resistant to effective solution within the context of traditional administrative and electoral/representative practices. Bartlett (1986) and Dryzek (1987) pointed to features of ecological systems and patterns of human/ecological engagement that suggest that a particular form of functional rationality – ‘ecological rationality’ – is required by social institutions that are to address such problems successfully. Paehlke and Torgerson discussed the mismatch between environmental politics and the characteristics of the ‘administrative state’ (1990). Potential avenues to the reform of existing democratic structures have been discussed by Mathews (1995), Doherty and de Geus (1996) and Lafferty and Meadowcroft (1996). Lafferty has reflected on the possibility of institutionalising ‘normative futures research’; ‘councils of “ecological stewards”’; ‘representation by “proxy”’; and ‘expanded ecological rights’ (Lafferty 2000). And Lundqvist has examined how government structures and procedures can be adjusted to allow the value of individual autonomy to be reconciled with the spatial, temporal, integrative and knowledge demands of sound ecological management (Lundqvist 2004).

In the present chapter, the analysis is focused on one particular dimension of governance for sustainable development: mechanisms for enhanced *participation in public decision-making and implementation* – above and beyond the well-established modes of electoral representation, public debate, political organisation, pluralist bargaining or corporatist interaction. In this context it is important to keep in mind three points.

First, enhanced participation is but one element in the range of reforms that will be required to adapt governance systems to the demands of sustainable development. Participation is important, but it is far from sufficient. Jänicke, for example, argues that the expansion of the ‘integrative capacity’ and the ‘capacity for strategic action’ of the political system are as important as the development of its ‘participative capacity’ (Jänicke 1997).

Second, enhanced participation in public decision-making and implementation is not the only type of participation that is important in relation to ‘governance for sustainable development’. ‘Governance’ refers to processes that extend from the established political mechanisms of representative government to the internal management of businesses and civil society organisations. And since sustainable development is a process that is supposed to involve all of society ‘participation in governance for sustainable development’ can refer to an array of contexts. This discussion, however, focuses principally on increased societal participation in processes of making and implementing decisions involving ‘official’ or ‘public’ bodies – institutions that have some recognised mandate to act for the public good.

Third, it is worth emphasising that the supplementary participatory processes discussed here are predicated upon the continued operation of traditional democratic mechanisms. They require functioning representative governments (at the local and national levels) that can take authoritative decisions; a capable and relatively uncorrupted public service; an open discussion of public affairs; and an active civil society.

This said, why is participation particularly relevant to governance for sustainable development? The case for increased public involvement in political decision-making and implementation is typically made in terms of: (1) *functional gains* to the political community (better decisions, more effective implementation, enhanced legitimacy and a more educated populace), as well as claims to; (2) *fairness*; and (3) increased opportunities for *individual and collective fulfilment*. These can be described as the ‘consequentialist’, ‘entitlement’ and ‘expressivist’ justifications for participation. With respect to sustainable development, particular emphasis is usually placed on improved *decisional outputs* resulting from better information for decision-makers and enhanced communication among concerned parties; and on greater *legitimacy* for specific decisions and for the political system more generally, because the decision process is seen to be fair and inclusive (OECD 2001a). But as we shall see, the other dimensions are also salient.

Participatory considerations are especially important in the context of sustainable development because of the unique character of the project. Sustainable development articulates a dynamic vision of society and social/environmental interactions; and governance for sustainable development is necessarily concerned with consciously *steering social change*. It involves orienting advances along specific lines, and avoiding unsustainable social futures. Moreover, the concept is *normatively charged* – decisions about sustainable development cannot be reduced to technical choices (although these are important), but require value choices about the priorities of individuals and communities, and about the distribution of costs, benefits and risks. The project is *encompassing*, drawing together decision-making in previously distinct spheres of social life and penetrating into a myriad of sectors and domains. And, while the general orientation implied by sustainable development is clear, it is only by *experimenting* with reforms that knowledge can be accumulated to enable the more successful management of social/ecological interactions in the future. In other words, there can be no pre-existing blueprint of the precise scale and character of the necessary transformation of social practices and institutions that sustainable development entails.<sup>1</sup>

These features suggest that, as a strategic programme, sustainable development is particularly demanding of enhanced participation in decision-making. With respect to deliberately orientating social change, participation can be understood as both a democratic imperative (as a guarantee that social actors

will have some say in the direction of movement); and as a government steering strategy deployed to identify and effect necessary reforms. Participation can allow individuals and groups to reconcile and redefine relevant interests, to contribute to shaping the future, and to adjust to impending change. It can contribute to building consensus and to identifying where consensus is impossible. With respect to the normative content of sustainable development, participation can facilitate a more complete disclosure of existing attitudes, the juxtaposition of different approaches and the transformation of values. With respect to the encompassing nature of the project, it can promote the integration of knowledge, and the adaptation of governance to the diverse cross-cutting contexts relevant to sustainable development. With respect to 'learning through doing', participation can promote adaptive management and knowledge acquisition by societal partners and governments.

To invoke the core categories used above to summarise the virtues of participation: governance for sustainable development (as a steering-related, value-laden, socially encompassing, and learning-oriented process) requires the enhancements to decisional quality, implementation, legitimation and education promised by increased participation. But it should in any case deploy fair decision procedures that allow individuals and communities to be more intimately involved in defining their collective futures. And it provides a context within which individuals and varied collectivities can express, define and redefine their identities and make a meaningful contribution to the social good.

These observations on the nature of sustainable development and the potential gains from participation suggest that a number of considerations are likely to prove critical if participatory processes are to contribute effectively to this social project. In particular, participatory approaches to decision-making would need to encourage:

- *Adequate representation of implicated interests and openness to public scrutiny.* Participation must be sufficiently broad to reflect a cross-section of concerned perspectives on the particular issue; and the results of the process should be open to inspection by all interested parties. This is crucial if participation is to raise the informational and communicative underpinnings of decision-making, maintain public trust and be substantively fair. Without adequate representation of implicated interests, sustainable development policy-making will fail to take account of relevant problem dimensions and decisions will lack legitimacy. The result will be implementation deficits and policy instability.
- *Deliberative engagement among the implicated parties.* Movement towards sustainable development requires not just bargaining and compromise among existing interests, but the redefinition of interests



and values to embrace a more environmentally sustainable approach. This can be encouraged by deliberative interaction, where actors with different perspectives exchange views, debate and interact to elaborate a collective solution to a problem. Deliberation involves mutual 'recognition' among participants (that each represents a legitimate perspective); substantive engagement with alternative perspectives; and the opportunity of moving beyond established categories to rethink and reconceptualise problems (Bohman 1996; Dryzek 2000). Effective deliberation requires particular 'framing conditions', and participatory practices that embody such conditions are more likely to encourage effective sustainable development decision-making than those that do not.

- *The application and integration of different forms of knowledge to decision-making.* Scientific and technical understandings are essential to defining sound policies for sustainable development. But scientific knowledge (including knowledge of the limits of knowledge, of uncertainties and of risks) needs to be 'converted' into a practical form suitable for political decision-making. The 'open ended' nature of science sits uneasily with the closure required for political and regulatory choice. Moreover, scientific knowledge must be combined with other types of understanding, including those held by parties directly involved in a problem matrix, as well as the lay perspectives of ordinary citizens (Renn et al. 1995). Participatory processes that favour the integration of different forms of knowledge, that allow expert understandings to be brought to bear in a context that builds public trust (rather than public cynicism), are, therefore, to be favoured over those that do not.
- *The promotion of societal learning.* As pointed out earlier in this volume by O'Toole, societies have to learn their way towards sustainable development, thus raising a need for factors that enhance learning potential. Considerations here include: encouraging divergent perspectives to interact in a moderately conflictual setting (Bennett and Howlett 1992); involving participants in the implementation of agreed courses of action (Meadowcroft 1999a); and operating with longer time horizons and iterative cycles to facilitate lesson-drawing and experimentation.

These four elements – the representation of concerned interests, the encouragement of deliberative interactions, the integration of different forms of knowledge and the promotion of societal learning – are fundamental to engagement with sustainable development. Other things being equal, participatory approaches that score well on these four criteria are likely to make a more substantial contribution to public decision-making for sustainable development.

## THE DEVELOPMENT OF PARTICIPATION IN ENVIRONMENTAL DECISION-MAKING

Since the most pressing sustainable development tasks in the industrialised states relate to moderating environmental impacts, experience with participation in environmental decision-making provides a good starting point to explore participation in governance for sustainable development.

Participation has been a recurrent theme in environmental policy-making since the domain first emerged as a distinct focus for government activity in the late 1960s and early 1970s (Fiorino 1990; Renn et al. 1995; Tatenhove et al. 2001). The popular movements that propelled the environment onto the political agenda championed ideals of local empowerment and civic activism. The argument was that opportunities for participation in existing democratic systems – essentially the right to vote, to run for office, to organise politically and to take part in public debate – did not provide adequate safeguards against arbitrary or mistaken decisions. Further, it was maintained that citizens and local communities were entitled to information about the environmental risks to which they were subject, and had a right to play a more direct role in decisions on environmental issues affecting their interests. As governments sought to respond to this challenge, public enquiries, more transparent administrative mechanisms and formal environmental impact assessment procedures gradually became an accepted feature of political life (Hanf and Jansen 1998).

Particularly since the late 1980s, governments in the developed countries have taken additional measures to promote access to environmental information, to institutionalise public consultation and to encourage the formation of partnerships in the environmental sector (Jänicke and Weidner 1997, Lafferty and Meadowcroft 2000). An array of participatory mechanisms including citizen advisory panels, citizen juries, referenda and various forms of stakeholder interaction have been deployed singly or in combination to help secure solutions to environmental problems. It has been suggested that this trend owes much to the official endorsement of participation by international organisations and agreements, and to functional advantages to government that include: improving the potential to solve problems; enhancing legitimacy; securing the cooperation of other social sectors in order to achieve the more ambitious aims associated with sustainability; and recruiting societal support for administrative objectives (Coenen et al. 1998). A desire to escape policy deadlock in the environmental field, and a perception that the public had lost confidence in traditional approaches and elites, have also been important considerations for government. Nor should direct pressures from society be ignored. For while it is true that over the past decade there has been no widespread demand from the public to be involved in the details of environmental policy-making, there has been both vocal *post hoc* opposition to *particular*

projects and courses of action that have been decided *in the absence* of public participation, and consistent pressure from organised *groups* for more direct involvement in the policy process.

As indicated above, there are three distinct strands woven into the discourse on participation that has developed in relation to environmental decision-making since the 1970s: ‘the citizenship’, ‘the community-centred’, and ‘the stakeholder’ participatory orientations. Each approach deploys a variety of arguments to make its case for enhanced public involvement in environmental decision-making, but each also has a primary focus.

The *citizenship strand* emphasises opportunities for each *individual citizen* to contribute to public life and to have a say in decisions that affect their future. Citizens should have access to environmental information, be able to participate in debate, and to take part in making and implementing environmental policy.

The *community-centred strand* emphasises *local communities*, their distinctive character and modes of being, and their entitlement to participate in decisions that affect their development. Communities should be able to manage their own affairs; to contribute to environmental decision processes in the larger political units that they are a part of; and to be involved in determining outcomes on issues that impact them directly.

Finally, the *stakeholder strand* emphasises the common interests of groups bound together through social interaction, and the participation of all *social partners* in determining the best way forward. Stakeholders should work together to develop solutions to environmental problems in which they are enmeshed.

The intellectual roots of these three participatory strands can be traced back a long way, and each taps into well-established traditions of argument about the meaning of democratic government (Saward 1998; Weale 1999). Inspiration for the citizenship and community-based orientations can be found in the city-states of antiquity, with the ideals of citizen equality, shared responsibility and individual engagement in public life feeding into the citizenship strand, and those of an intimate and autonomous self-governing community contributing to the community-based strand. Notions of corporate identity and functional representation that emerged in the medieval period, and which were subsequently integrated into more modern democratic theory (particularly in pluralist and corporatist variants), form part of the lineage of the stakeholder orientation.

The basic criticism of traditional modes of environmental policy formation – that they are over-centralised and exclusionary, and fail to consider important values and interests – is common to all three currents. And the consequentialist, entitlement and expressivist arguments used to justify supplementing existing political mechanisms with greater societal participation are similar. But

since each tradition highlights a different mode of democratic enhancement – centred on citizens, local communities, or organised groups – the processes by which the advantages of a participatory environmental policy accrue to the polity differ, as do the subjects of the enhanced entitlements and the opportunities for self-expression.

From the vantage of the citizenship perspective, the benefits of participation result from the *direct* involvement of *ordinary* people in the process of environmental government. This breaks the policy monopoly of technical, business and political elites and introduces the perspectives, common sense and values of average folk into decision-making. When taking part in public life, individuals can act as ‘citizens’ – interacting on a basis of equality with their fellows to determine the best course of collective action. Abstracting themselves to some extent from their immediate concerns and personal interests, citizens are supposed to approach decision-making from the perspective of the good of the whole community. This is what generates improved decision-making, more effective implementation, enhanced legitimacy and a more educated populace. And it is as citizens that individuals claim participatory rights and more completely express individual and collective identities.

From the community-centred perspective, it is enhanced participation within and by local communities that generates the functional benefits. Local communities are seen as the cradle of democracy and the building blocks of larger political units. They frame individual lives, furnish an arena conducive to civic interaction, and provide an essential link to national policy-making. Expanding participation within communities, enhancing community control over local environmental affairs, and allowing communities a substantial say in broader environmental policy-making, are all thought to lead to better decisions, more effective implementation, enhanced legitimacy and an informed public. Moreover, giving communities their due is fair, and it expands opportunities for individual and collective fulfilment.

From the stakeholder perspective, the inclusion of group representatives in the decision process underpins the functional gains. Taking the varied perspectives of organised groups into account improves the informational basis of decision-making, and can facilitate the reconciliation of diverse interests and perspectives. It generates better decisions that are more likely to be implemented, raises legitimacy and promotes a wider understanding of the complexity of societal problems. It is also fair, because groups deserve to be heard, and their closer integration into decision-making allows them to take greater responsibility for their conduct as collective social actors.

Although they are logically distinct, these three strands are usually linked in actual argument. Participation by local stakeholders, for example, can be seen as important to a community-centred perspective that emphasises local empowerment. Alternatively, local communities can be defined as key corporate

participants within a broader context of stakeholder interests. And, since individual civic engagement is most easily achieved at the local level, the virtues of community control are often emphasised in citizenship-oriented arguments.

Since the mid-1960s the citizenship and community-centred strands have been taken up by environmental movements that have invoked arguments about citizen entitlements and community self-determination to repudiate decision-making by governments and big business and to attempt to force open closed policy processes. The citizenship strand has been particularly linked to issues relating to food and product safety, public health and environmental standard-setting, while the community-centred strand has been prominent in disputes about siting (waste facilities, nuclear plants, transport links, and so on), as well as in the regulation of large local polluters and the management of local resource systems (Williams and Matheny 1995). The stakeholder strand was not central to the vision of early environmental protesters, who were wary of the strength of organised interests (especially business interests) in pluralist bargaining and closed corporatist decision-making. But this approach has gained strength since the 1980s. The emergence of professional environmental organisations that demand to be considered as negotiating partners; the increasing complexity of networks concerned with environmental problems (involving different branches and tiers of government, business and civil society actors); and changing attitudes towards the responsibilities and capacities of the state (Tatenhove et al. 2001), have contributed to the rapid development of this current.

## PARTICIPATORY TRADITIONS AND PARTICIPATORY MECHANISMS

Each of the normative traditions discussed in the previous section brings a slightly different perspective to bear on the challenge of enhancing societal participation in public decision-making for sustainable development. The practical injunctions that flow from the three currents are also distinct. At the heart of these differences lie the claims made on behalf of the three privileged constituencies – citizens, local communities and stakeholders – and the specific measures that would be required to endow them with added voice. In one sense it appears obvious that if participation is to be enhanced at all, then each of these groups should be drawn more closely into policy-making and implementation. After all, citizens, local communities and organised interests are all part of the sustainable development equation. And yet it is not clear how engagement with these constituencies is to be combined; or indeed whether the participation of each is equally important in every context. To examine these issues it is necessary to pass beyond the general claims of the normative

traditions to consider the practical mechanisms through which enhanced participation is actually to be delivered, and how these relate to the particular demands of decision-making for sustainable development.

The discussion will consider each approach in turn before returning to assess their relative potential. Since the citizenship and stakeholder orientations are associated with quite specific participatory devices they will be taken first, while consideration of the community-centred orientation is temporarily deferred.

### **Citizenship and Citizen Participation**

In a democratic system citizens are the ultimate political sovereigns, and as electors they make and unmake governments. Citizens can participate in public life in many ways: by becoming active in party politics and election campaigns, joining civil society movements and organisations, or contributing to public debate. Conduct in other areas of their lives – acting as consumers or parents, for example – can also be understood in relation to citizen duties and prerogatives. Choosing to buy ‘green’ electricity or to teach one’s children ‘to respect nature’ can also be understood as citizen action for sustainable development. But how can citizens be more directly drawn into the sustainable-development-related decision-making of public bodies?

Mechanisms typically employed in modern polities to increase citizen inputs include formal consultation and public enquiries.<sup>2</sup> The devices that most comprehensively embody the citizenship ideal, however, are the deliberative citizen microcosm and the popular referendum.

*Public consultation* – where an official body invites formal reaction to a proposed course of action – is the most common mechanism for involving citizens in the policy process. Indeed, in the modern polity, government departments and regulatory agencies are involved in almost continuous consultation around environmental issues. Such consultation allows affected interests an opportunity to comment on initiatives, and it increases the information base on which government decisions are made. An official *public enquiry* is a more structured exercise, somewhat insulated from the everyday operation of government. Here an authoritative panel is invited to formulate recommendations, usually on a contentious issue and often in the wake of a perceived policy failure. Such enquiries permit a representation of concerned interests before the investigating panel, and can contribute to administrative learning. But much depends on the personnel involved, terms of reference and legal powers.

Yet these two devices are ‘participatory’ only in the most attenuated sense of allowing the public to express its views. Citizens are not asked collectively ‘to decide’ on an outcome, or even on a joint recommendation. Nor do these

mechanisms perform particularly well on the four criteria cited above. Since neither device confines representation to individuals, *citizen* input can be swamped by the articulate and well-financed interventions of organised interests. Deliberation does not take place among the citizens (although it may take place among officials collating public responses to a consultation or among members of an enquiry panel). There is no real framework to reconcile lay and expert perspectives. Nor are there opportunities for iterative learning.

A *deliberative microcosm* involves a small group of citizens, chosen to 'stand in' for the community as a whole, who are invited to examine policy alternatives and provide advice to policy-makers. Two well-known variants are the 'citizen advisory panel' and the 'citizen jury'. In the first case individuals are selected by the sponsoring authority to reflect different segments of the community, and the group meets over several weeks or months to familiarise itself with a policy issue, debate options and formulate recommendations (Lynn and Busenberg 1995). In the second case the group is composed by stratified random sampling – to ensure a representative balance by region, gender, race, and so on – and procedures more closely follow a judicial model (Crosby 1995). At the outset the jury is presented with a small number of policy alternatives, and over the course of several days it considers the arguments of advocates and the testimony of expert witnesses, before delivering its opinion on the initial charge.

Such devices turn on the constitution of a representative microcosm of lay assessors, whose deliberations approximate those that might have occurred had it been possible for the entire citizen body to take part in intensive face-to-face interaction. Because they involve a small group that proceeds on a basis of equality, which meets repeatedly, and can draw on the knowledge of experts, these bodies provide a framework for collective deliberation, the integration of scientific and lay perspectives, and group learning. On the other hand, the limited time that 'average citizens' can devote as participants, and the restricted knowledge base from which they start, seriously affect outcomes. Nor is it clear that the citizen body as a whole implicitly trusts (or feels any attachment to) the decisions generated by such groups.

A *referendum* allows voters to choose among a few specified policy alternatives, and to this extent it puts power directly into the hands of the citizens. In contrast with elections, where many issues are entangled, a referendum can focus on a single problem. While individuals may be more or less active in the campaign, the vote itself is open to the entire enfranchised population of the relevant jurisdiction. Thus, every citizen can take part, and the community as a whole bears responsibility for the outcome. The referendum's great virtue is that it produces a clear decisional output, although voters may be almost evenly split between two courses of action. Even when the exercise is merely consultative (rather than legally binding), there is powerful pressure on political authorities to accept the popular verdict.

Yet there are also many problems. Referenda provide relatively poor conditions for deliberative interaction, creative problem-solving and integrating specialised knowledge. Discussions are typically polarised, and alternatives are confined to those presented in the initial question – giving considerable power to the question-framers, and precluding the development of new solutions as the debate advances.

Contemporary environmental decision-making therefore poses severe challenges to citizenship-based approaches to participation. The scale of the modern polity makes an assembly of the entire citizenry impossible. But ‘scale’ relates not only to the *size* of the political units, but also to *complexity*: the number of different issues that must be addressed, and the involved character of each issue. The understandings required in environmental decision-making (natural scientific, economic, legal-administrative and political) stretch the cognitive capacity of even the most enthusiastic citizen. Moreover, there are critical time constraints facing lay participants. By all indications, most citizens – quite reasonably – prefer to spend their free time doing things other than participating in environmental decision-making.

The strategies available to circumvent these difficulties give rise to the two main approaches discussed above. The first is to take a small sample of citizens to represent the citizenry as a whole, with an array of representative microcosms dealing with different policy issues as they arise. This provides a context for deliberation, knowledge integration and group learning. It is unclear, however, how this spills back to the broader citizen body. The second is to dramatically compress alternatives down to a simple choice, and let each citizen cast his or her vote. But then deliberation and knowledge integration are largely sacrificed. Moreover, neither of these approaches provides for continuing, iterative and long-term interactions, where knowledge and experience in managing the specific problem can accumulate.

What place can such mechanisms assume in governance for sustainable development? Assuming each device is allowed to play to its strong suit, the deliberative citizen microcosm would be deployed most appropriately to map concerns, rank problems, explore alternative approaches and identify issues for further examination. Here it can be used to suggest to decision-makers what the public response to particular questions might be, if informed deliberation among the whole citizen body was possible. Thus, it can move beyond the shifting tides of ‘public opinion’ to help establish more deep-seated and collective values and understandings. Of the two variants considered here, the longer time frame, increased organisational flexibility and greater openness to the formulation of new alternatives implicit in the ‘citizen advisory panel’ suggest that this option has more potential than the ‘citizen jury’ format.

Three functions seem particularly appropriate for the referendum: first, to allow citizens collectively to accept or reject major packages of reform on



environment and development issues; packages that have been drawn up in other forums but which significantly concern the general public (regional redevelopment plans, comprehensive local environment initiatives, and so on); second, to decide (at least for the time being) an issue that has polarised the community and the political elite, and on which compromise is impractical (to end or continue nuclear power generation, to ban or permit fox hunting, and so on); and, third, (when combined with the initiative) to help force an issue onto the public agenda (Smith 2001). In each case the decisional character of the referendum is put to use: to ratify or reject a complex scheme that could only have been drawn up through detailed negotiations in a specialised forum; to 'cut the knot' in the case of a political stalemate; or to signal that the public now demands an issue to be taken up by the political system.

### **Stakeholders and Group Participation**

Established groups and their representatives provide the foundation for stakeholder participation. Stakeholder views can be canvassed by the first two mechanisms discussed above (formal consultation and the public enquiry), and with the resources at their disposal, organised interests are often better placed to exploit these channels than are independent citizens. But there are many more focused ways to draw stakeholders into environmental policy-making. The discussion here will focus on four typical cases: environmental mediation, environmental covenants, negotiated regulation and co-management regimes.

*Environmental mediation* provides structured interaction among parties to an ongoing environmental dispute (Amy 1987; Blackburn and Bruce 1995). The exercise is typically led by a trained mediator, who may assume a more or less active role in designing a consensual solution. Representation is based on group membership and limited to spokespersons for the most influential parties. Divergent perspectives are represented directly, and because delegates well-versed in the particularities of the problem can repeatedly meet face to face, and on an equal footing, relatively favourable conditions may be generated for deliberation and knowledge integration. Yet since this mechanism is focused on an existing dispute, the room for creative problem redefinition may be limited. Nor is there a framework for continued interaction and longer-term learning.

*Negotiated regulation* involves agency and group representatives jointly elaborating the content of a regulatory rule (Fiorino 1995). Participants include major implicated interests (government, industry and environmental group representatives), and the meetings can provide relatively good conditions for knowledge integration and deliberation. But here opportunities for creative problem definition are limited by the rule-focused basis of

the negotiations, and bargaining over interests rather than true deliberation may come to the fore.

*Environmental covenants* depend on detailed negotiation between government and industrial actors to agree environmental performance objectives (Glasbergen 1998a). Societal representation is usually restricted to industrial partners, but conditions for exchanging knowledge between these parties and for achieving intensive deliberation are favourable. How conducive this mechanism is to long-term learning remains unclear (Driessen and Glasbergen 2002). New perspectives may emerge from the encounters, but the narrow range of participants can militate against this. Since the civil-society sector (environmental NGOs) are typically excluded, transparency concerning the terms of the ultimate agreement and close monitoring of results are important if public trust is to be maintained.

Environmental *co-management arrangements* are based on long-term interaction among interested parties to manage collaboratively a particular enterprise, environmental burden, or resource system (Lafferty and Meadowcroft 1996; Meadowcroft 1999b). They can provide favourable conditions for deliberation, innovative problem-solving, knowledge integration and long-term learning. Participation is limited to group representatives, who are involved in active management and programme implementation as well as in formulating policy proposals. These arrangements are in fact 'partnerships' for sustainable development and have considerable potential. But care in framing the problem domain is essential, and they can be demanding on participants, requiring the development of relationships of trust and cooperation. There is some danger that once established, such configurations can become 'hyper-stable', and resist further change or problem redefinition that disturbs the hard-won consensus.

As the participants in stakeholder interactions are group representatives, and typically (though not always) professionals on the staff of the relevant organisations, the time/knowledge constraints that bedevil lay participation are less acute. The main problem of using these mechanisms in governance for sustainable development is rather: *how can they be constituted to achieve environmental gains while resisting capture by dominant economic or sectional interests?* This is an issue we will return to below.

Considering the features of each of the processes described above, mediation appears appropriate to breaking existing deadlocks, and perhaps opening up the way to longer-term partnerships. Regulatory negotiation is adapted to formulating rules, compliance and inspection procedures, and to integrated approaches to pollution control and management. The procedures function, however, within the parameter of health and environment-related standards set by other institutional mechanisms (Fiorino 1995). Environmental covenants could have a significant place in interactive forums for sustainable development – provided

that they are negotiated against a background of clear and politically supported environmental objectives, and that their content and results are open to scrutiny by other actors. Co-management approaches – with their focus on the practical engagement of partners in long-term collaboration – appear particularly promising in relation to ecosystem-based management, regional redevelopment initiatives, cross-sectoral strategic processes (such as climate change and biodiversity), and managing transitions in production/consumption complexes (agriculture, construction, energy systems, and so on). But the four illustrations of group-based processes discussed here represent only a small selection of the possible forms that multi-stakeholder interactions can adopt.

### **Participation By and Within Local Communities**

While the citizenship and stakeholder perspectives are identified with participatory interactions that see individual citizens *or* organised groups and their representatives as the privileged actors, the community-centred approach emphasises the *locus* of enhanced participation – local communities. This has implications on two distinct ‘levels’ of political interaction. On the one hand, *within such a community*, both individuals and groups are to be drawn more actively into problem-solving. On the other, *with respect to the broader world*, the community as a collective entity should be able to participate more fully in decisions that concern it; either through representation in the processes by which ‘higher’ jurisdictions take their decisions, or by acting in concert with other local communities. The community-centred approach relies, therefore, on many of the participatory devices introduced above – with the proviso that they operate at community level, or that they facilitate the community’s collective participation in more extensive decision-making.

Within local communities, formal consultation and public enquiries can be employed in public decision-making, as can the deliberative citizen microcosm and the referendum. While regulatory negotiation and environmental covenants are primarily associated with national policy-making, mediation, co-management and other forms of group-based interaction are practical within local communities. Certainly the conditions for individual participation in decision-making are more favourable in a local context, because of the smaller scale of political units and the closer proximity of many problems to individual experience. Indeed, some forms of individual participation are only really practical at a local level, and here the justificatory logic of the community-centred and citizenship perspectives can be woven tightly together. Consider, for example, the technique of citizen or community ‘working groups’, where individuals can contribute to a multi-stranded project (developing a local biodiversity strategy, for example) by participating directly in the activity of ‘working groups’ focused on the issue dimensions that most interest them individually.

Interactions based on group collaboration also take on a slightly different character at the local level, although it is not evident that participation is necessarily easier to organise. The number of groups whose involvement must be considered may be smaller, but there will usually also be fewer resources available for such exercises. The 'grassroots' movements and neighbourhood groups that are prominent at the local level may lack the structure of larger organisations, and this can hamper their capacity to function as viable partners. Moreover, there may be pronounced differentials of power among local organisations: business actors, for example, can include small local firms, but also major multinational corporations that have a substantial local presence.<sup>3</sup> A similar problem can exist in relation to environmental groups, where national campaign organisations may demand representation in local decision forums.

The representation of local communities on the broader political canvas is significantly affected by established legal and constitutional provisions. But there are possibilities for enhanced participation if higher authorities systematically consult local communities on administrative reform, programme design and implementation, or initiate multi-stakeholder processes within which local communities are represented. Communities can also collaborate directly to initiate co-management practices, exchange experience in regional and national associations and interact with supranational governmental organisations (the EU Commission, UN agencies, etc). Such initiatives typically rely on the formal structures of local government, which provide a community with a collective 'persona' vis-à-vis the wider world.

Contacts based on 'people-to-people' interactions or representation from grassroots organisations are sometimes integrated into public decision processes; particularly in collective visioning, or the mapping of values and risk perceptions. But such interactions are more closely associated with the 'oppositional' strand of the community-centred tradition, where activists from aggrieved communities come together to protest their exclusion from decision processes. On the whole, the electoral legitimacy (and material resources) of local administrations ensure that they are the standard interlocutors for the communities they represent. And yet, as the physical and psychological 'distance' grows between local neighbourhoods and the (not quite so) local authority, or the (yet more distant) regional government, the extent to which such official representatives can invoke the normative cachet of the community-centred participatory tradition is lessened.

*The major challenge for the community-centred approach is how to frame meaningful local participation in a context where many of the most important decisions affecting communities will inevitably be made by more extensive political units.* Community decision-making may be closer to local groups and individuals; but the decisions apply to a smaller area, are confined to a certain range of issues, and may have no more than a marginal impact on broader

trends influencing local life. Moreover, expertise and financial resources can be in short supply. It is true that at the community level the link between economic and environmental issues is also often quite direct. Local development activities are dependent upon a particular configuration of environmental services and resources, and generate a particular pattern of environmental degradation. And this can create favourable openings for policies that restructure these relationships to promote sustainable development. But things can also work the other way round: local dependence on employment and income from certain industries may give the associated interests a virtual veto over environmentally progressive change.

Participation by local groups and citizens appears particularly important in the context of community planning and visioning exercises related to environmental and economic regeneration, and for the identification of local priorities. Moreover, project-focused processes, where community decision-making and volunteer *action* can go hand in hand – cleaning up a polluted river, implementing a habitat protection scheme, or renewing local green spaces – also have considerable potential. In terms of interactions beyond the district, site selection is one area where local communities should have some role: in defining the general policies that make selection of a site necessary in the first place (infrastructure plans, housing construction targets, waste and energy policies); drawing up criteria for site selection; and taking and implementing siting decisions. Management of cross-jurisdictional resource systems (such as rivers and lakes) is another area where communities require collective representation in cooperative management bodies. Numerous other possibilities for cross-community collaboration in environmental policy can also be envisioned.

## ASSESSING THE CONTRIBUTION FROM THE THREE PARTICIPATORY ORIENTATIONS

In light of these observations on the potential of each participatory strand, what can be said about their relative significance in public decision-making for sustainable development?

The first point to be made is that, with respect to most issues, it is necessary for public officials to appeal to – and to be *seen* to appeal to – at least two, and often all three, of these orientations and their associated constituencies. Neither citizens, nor communities, nor stakeholders ought to be neglected in decision-making for sustainable development. Thus, each of the three traditions clearly has something to offer to the governance challenge.

The integration of these orientations can, however, be realised in different ways. As we have already seen, *particular participatory mechanisms are compatible with more than one perspective*. Devices like public consultation

or a public enquiry can address the constituencies privileged by both the citizenship and stakeholder perspectives, while the communitarian approach relies on procedures that involve (local) citizens and stakeholders, or that allow the community itself to be considered as a stakeholder in relation to broader contexts. But most major issues also involve *compound processes*. There are different stages and dimensions to making and implementing policy, and this provides opportunities for combining different participatory devices with different forms of input, and appealing to the normative grounding of all three traditions. For example, an initial public consultation that identifies citizen and group concerns can be followed by more intensive stakeholder negotiations to conclude an environmental covenant; risks prioritised by a citizen advisory panel can form the focus for a rule elaborated through group-based regulatory negotiation; or a detailed package of reforms agreed by community stakeholders can be put to the local citizens in a referendum.

As a first level of approximation it can be suggested that the appeal to citizenship participation is especially important to establish priorities and values that can orient decision processes, and to settle contested issues on which compromise is impractical. The appeal to stakeholder participation is vital to facilitate the reconciliation and redefinition of group interests; the detailed elaboration of practical responses to particular problems; and the constitution of long-term interactive management bodies. The appeal to community-based participation is essential to involve local people in remaking their communities; to link national and international preoccupations with local circumstances; and to ensure that local concerns are incorporated in broader decision-making.

The second point to be made relates to the particular importance of the stakeholder perspective and the group-based modes of participation it legitimates. The advantages of group-based processes can best be appreciated if we return to the four sustainable development criteria introduced earlier.

Group-based processes are particularly effective at *representing* interests and perspectives, because the participants speak for organisations directly rooted in the different dimensions of the issue. When *deliberation* takes place in such a forum, participants can learn directly from one another and develop a common approach to a problem. Advances in understanding, and proposals to move forward, can then be shared with the wider constituencies that each group represents. Group-based processes start from an extensive *knowledge base* because group representatives are already engaged in the issue area, and participants can more readily absorb new technical and scientific knowledge. Moreover, they have more time to invest in the process than do participants in citizen-based forums; thereby facilitating *learning*.

The richer informational environment and the creative tension between different perspectives are clearly important. But the key factor is that groups

have a continuous existence above and beyond that of any individual representative. Groups can accumulate and institutionalise knowledge. They can engage in protracted interactions over many years. Moreover, they can carry an agreement forward from decision to implementation; thereby increasing the opportunities for learning and adaptive management. When participation extends beyond deliberation to include collaboration in executing an agreed course of action, iterative learning based on a periodic assessment of feedback becomes possible; at the same time that the advance knowledge that such practice is to come lends a more concrete air to the preceding deliberations.

In contrast, participatory exercises that employ a citizen microcosm are based on an indirect representation of perspectives (by presentations, documentation, witnesses, and so on). Even when participants personally reflect characteristics and views relevant to the problem under discussion, they do so as individuals; generally with neither the authority to speak for a larger collective, the capacity to communicate with a wider audience, or the potential to bind a larger constituency to an agreed solution. Because participants are typical citizens, there are severe limits on the time they can devote to deliberation, and the details of technical and specialist knowledge they can be expected to acquire. Further, possibilities for long-term interactions and implementation activities are virtually excluded. The ‘impartiality’ (because participants are not personally or directly involved in the problem nexus) and ‘typicality’ (because it is composed of ordinary citizens) of the citizen microcosm are its great virtues. The aim is to generate a response that approximates the outcome of informed deliberation by society as a whole. But such results can only be purchased at a heavy cost.

True, the referendum side-steps the problem of representation – because each citizen acts directly to make his or her choice. But, as we have seen, while referenda may be useful for ‘cutting the knot’ (choosing between specified alternatives), they do not provide a fruitful framework for deliberation, creative problem-solving, and interactive management. Yet this is what sustainable development typically demands. Moreover, the problem of the citizen knowledge base (and the impossibility for every citizen to acquire the grounding necessary to make an informed choice across the range of policy questions) still remains. Thus, the contribution to enhanced participation in public decision-making for sustainable development that can be expected from these particular modes is limited.

Turning to community-oriented processes, it is worth noting the extent to which their practical potency actually depends upon the synergy with stakeholder-based dynamics. Not only do local stakeholder interactions play a key role in intra-community participation, they also provide the link to participatory interactions within the wider polity. Of course, many advocates of community-centred participation view local communities as, not just one type

of stakeholder among many, but as a privileged type of stakeholder: principally because of the centrality of community to human experience.

Yet the complexity of environment and sustainable-development-related decision-making means that it is impossible to absolutely privilege any particular type of stakeholder. In different contexts different parties acquire more or less significance, according to their exact connection with underlying patterns of socio-ecological interaction. For example, because of their direct implication in processes that cause environmental degradation, their weight as deployers of capital and employers of labour, and their knowledge of production and consumption processes, business corporations are often key stakeholders. Parallel arguments can be made for environmental movements, and for government bodies and agencies at many levels. Moreover, one can argue that, even setting aside the environmental domain, the complexity of the modern political world means that no one type of community can or should be consistently privileged over others.

Another way to grasp the centrality of group-based participatory processes is to recall that governance for sustainable development is about *steering social change* – and that organisations play a central role in realising such change. Our societies are dense with organisations, and, considered as a whole, they are not arbitrary creations. They reflect underlying economic, social and political processes. Corporations and business groups, governmental bodies of all kinds, and civil society associations are directly connected to the social practices that must be transformed if governance for sustainable development is to succeed. And by bringing these organisations into contact in a dynamic, participatory and problem-focused context, it is possible to leverage forward processes of change.

As we have seen, however, group-based processes also have problems. In particular, there is a tendency for such encounters to degenerate into interest-focused haggling, and/or a risk of collusion, that often puts the particular interests of an issue-related coalition above those of the public at large. Moreover, such processes raise concerns about accountability and appropriate relationships with the existing structures of democratic government. One answer to such worries relates to the critical role of public authorities in orienting and supervising group-based participatory processes. Government agencies and departments may participate as ‘partners’ in such exercises; but governments also have a responsibility to orient each process, to establish general rules of conduct, and to supervise and monitor performance (Glasbergen 1998b). Another answer lies in openness and transparency, so that non-participants – whether from parliamentary audit bodies, civil society organisations, or the media – can monitor and assess what is being done.

The criticism is often made that stakeholder approaches are predicated on a narrow, economic, or utilitarian focus that necessarily privileges the



representation of 'interests' to the detriment of more deeply held 'values'. Policy-makers are accused of paying too much attention to groups with a material interest at stake, and not enough to citizens with moral perspectives. The idea is that to give public values and moral arguments a more prominent place in establishing the frameworks within which environmental decisions are made, modes of citizen – rather than stakeholder – participation should be brought to the fore (Weale 2001).

But there are problems with this sort of argument. Interests and values are more closely entwined than the argument seems to presume; values do not necessarily have a stronger moral or practical claim than do interests; groups may articulate values while individuals also have interests; and both values and interests are mutable. Nor should it be assumed that value conflicts are easier to resolve than conflicts of interest. Above all, it should be noted that stakeholder approaches do not have to rest on an economic conception of what it means to be a stakeholder. In practice, 'stakeholding' is now more typically understood to mean those who 'have an interest *in*' an issue – and that interest may take many forms (Jackson 2001). It can apply to environmental groups as well as to employers. Thus the undeniable importance of moral values and of citizenship should not distract us from the reality that the most significant enhancements of participation in public decision-making for sustainable development are likely to involve interaction among groups and their representatives.

To set the stakeholder orientation at centre stage, however, is not to deny a role for the community-centred and citizenship perspectives. The community-centred strand acquires relevance because of the importance of community-focused activity for sustainable development. It is at the community level that environmental problems affecting the quality of life are typically experienced most directly. A focused geographic area (with a relatively homogeneous ecological and socio-economic structure) has a particular potential for integrating economic and environmental decision-making. The sense of local identity, and the link between a local community and its natural endowments (landscape, wildlife, resource systems, and so on), can also be harnessed for sustainable development. Opportunities for lay participation in public affairs – in particular for involving individuals in *doing* as well as (or perhaps even more than) deciding – can also be more favourable.

In the context of sustainable development the community-centred tradition can mobilise local enthusiasm and self-reliance and stimulate popular engagement in environment and development causes. Particularly promising in this regard are local visioning and planning exercises that link environment and development futures (such as 'Local Agenda 21' processes [Lafferty 1999, 2002]); local engagement with national and international challenges (like local climate change and biodiversity strategies); and mobilisation to address

specifically local issues (urban and rural regeneration, management of local resource systems, and so on).

With respect to the more traditional focus of community-centred participation (resisting central impositions), the challenge is to ensure a local perspective in collective decision-making in wider jurisdictional frameworks, while also encouraging a sense of local responsibility towards the wider political community. Although the community-centred orientation has typically been deployed to resist central encroachment – especially the imposition of environmental burdens on a locality by a higher authority – it has also operated in the opposite sense: to oppose the raising of environmental standards by central government. In the context of the complex social changes implied by sustainable development, however, local participation is, on balance, likely to weigh more heavily on the side of progressive reform. The politics of climate change provide an example here. In some developed countries (such as the United States), where central governments remain resistant to a more active climate policy, pioneering local communities have already begun to implement greenhouse gas abatement strategies (ICLEI 2003; Rabe 2002).

The citizenship strand matters because individuals should have the opportunity to influence movement toward sustainable development not just as private consumers and/or economic agents, but as members of a polity that takes collective decisions about the way forward. Here the entitlement and expressivist dimensions of participation come into play. In this context the referendum has the most general potential, particularly (as noted above) as a device to authorise plans and policies and to determine divisive issues. Citizen microcosms have a limited role to help refine popular priorities, and introduce a lay component into decisional processes, especially when establishing a relative ranking of problems, risks and criteria for detailed decision-making.

The substance of this argument is, therefore, that the stakeholder strand, with its group-based participatory processes, has the greatest potential in relation to participation in public decision-making for sustainable development. The community-centred strand, especially when it involves local stakeholders, is also significant; while the citizenship approach, with its emphasis on lay inputs, is to be assigned a modest supporting role.

It may be thought that there is something deeply paradoxical in the conclusion suggested here: that the most fruitful avenues for enhanced participation in public decision-making for sustainable development depend on drawing together, not the noble ‘citizens’ or even the dynamic communities so beloved of political theorists, but rather representatives of the organised interests already entwined in the nexus of environmental problems. Some would even argue that this is not genuine participation at all, but rather involvement by an elite of group representatives (from business, civil society organisations and central and local government) who are to some degree removed from the

general public. Interactions among ‘profit-seekers’, ‘trouble-makers’, and ‘bureaucrats’: is this really the sort of participation that can advance the cause of sustainable development?

*The important distinction here is between a general contribution to the cause of governance for sustainable development and a direct involvement with public bodies in decision-making and implementation.* With respect to the latter, the analysis presented suggests that we would do well to think less about ‘participation’ in the abstract, and more about partnerships with key stakeholders – including partnerships with and within local communities – and consultation with (and the occasional direct decision from) the general citizenry. With respect to the former, more general process there are many other ways in which citizens (but also local communities and groups) can advance the cause of sustainable development. Thus, while ordinary citizens may play only a limited additional role as direct participants in public decision-making, they will still exercise critical roles in affecting the broader social transition to sustainable development. Important alternative domains for citizen participation include: (1) electoral and party politics (individuals taking seriously their duties as electors, becoming active in political parties, and so on); (2) civil society organisations and processes (debating public issues, campaigning for reform, joining environmental organisations, and so on); (3) the economic sphere (acting as responsible consumers, but also environmentally conscious employers and employees); and (4) the domestic sphere (in living arrangements, ‘lifestyle’ choices and raising children). Taken together these provide an array of interrelated fields in which individuals can participate ‘as citizens’ to promote sustainable development. Arguably the enhancement of citizen involvement in each of these domains is as important as any increase in direct individual participation in public decision-making.

Moreover, there is a connection between increasing citizen involvement in the first, and especially the second, of these four domains, and realising the potential gains from increased *stakeholder* participation in decision-making. As was argued above, if group-based processes are to promote the general interest they must operate within a clear framework of policy objectives established by governments. And citizen participation in electoral politics can help ensure that sustainable development remains at the centre of the concerns of politics and politicians. Above all, the potential of group-based processes depends upon an active and dynamic civil society that: (1) produces viable environmental partners to join with industry and governments in multi-stakeholder processes; (2) helps to define the political context within which group-based processes operate; and (3) monitors such processes and the conduct of governments more generally.

And here again, citizen participation – in public debate, environmental groups, protest and educational activities, and so on – is vital. In other words,

the particular advantages for sustainable development that flow from enhanced participation in public decision-making by 'profit-seekers', 'trouble-makers', and 'bureaucrats' to some extent depend upon citizen participation in the more general political and civil society spheres. Thus, citizens are 'brought back in', not in the manner envisaged by the citizenship strand of the participatory discourse on environmental decision-making, but in a way that nevertheless still draws upon some ideal of an active citizenry contributing to the definition of their collective future.

## CONCLUSION

This chapter has been concerned with participation in public decision-making for sustainable development, and it has considered what is specific about the requirements of such processes. It has argued that participation is an important dimension of governance for sustainable development, and that the design of decision processes should pay particular attention to mechanisms that encourage adequate representation of implicated interests, deliberative engagement, the application of different forms of knowledge, and social learning. Of the three strands of participatory discourse manifest in the environmental policy realm, the stakeholder approach was identified as the one with the greatest potential to contribute directly to public decision-making; with a substantial contribution to be expected from the community-centred approach; and a more limited direct role for the citizenship strand.

Nevertheless, it is worth remembering that participation is not everything. At the outset we cited functional arguments for valuing participation, as well as other arguments based on entitlement and self-expression. None of these reasons can be seen as absolute: all must be balanced with other considerations. Functional advantages of improved knowledge, greater likelihood of successful implementation, enhanced legitimacy and public education must be weighed against other functional elements – particularly cost, time and effectiveness. Decision-makers ask themselves: Do the potential gains outweigh the costs? Even entitlement considerations are not absolute. The political world is dense with entitlements, and the question is usually how to reconcile competing claims. There are entitlements to prompt government action to address acute environmental harms, and to efficient and cost-effective administration; and at times such entitlements may clash with claims to enhanced participation.

In the case of major decisions and initiatives, however, the choice is usually not whether there should be public participation, but rather about what form participation should take. Who is to participate, how and at what point? Again, it should not be assumed that the most intensive participation, or the widest

participation, or the most decisional participation, or the most frequent participation, is the *best* participation. The significance of participation must be approached from a multidimensional perspective. In this light, it appears, for example, that the more marginal participatory mechanism of formal consultation – if it is undertaken in good faith, and relatively early in the decision process – is a highly useful tool. It is low in intensity and non-decisional, but with respect to frequency and breadth, it is highly malleable.

The participatory capacity of a political community has, after all, limits. If these are to be significantly raised, it can only be done gradually. Of course, mechanisms that would vastly inflate the decisional involvement of individual citizens have been devised. A great proliferation of citizen juries pronouncing on hundreds of local and national issues, or the dramatic extension of e-democracy with general referendums on policy proposals every week, are two obvious possibilities. But this does not mean that the capacity of citizens to master the issues (and the relevant technical questions) – or the capacity of the system to manage the inputs and outputs of such frenetic participation – would have been raised. Even theorists who are broadly sympathetic to enhanced public participation caution against exaggerated expectations (Dahl 1970). In the real world, individuals, communities and organisations face constraints with regard to the range and depth of the participatory ventures they can undertake; and governments face limits in terms of the complexity of the processes they can effectively manage.

It should also be remembered that while participation in government for sustainable development has a substantive objective, the content of this is open to dispute and reinterpretation. Participation is a route through which differences, contradictions and antagonisms gain expression as well as a means by which they can be managed. Participation does not always lead to consensus; and even when it does do so, that consensus is likely to prove partial and only relatively stable. Authoritative decision-making is required to establish participatory processes and also to reap their gains. Sustainable development is a good, but different social groups and individuals will partake of this good, and bear the costs of its achievement, to different degrees. If social practices are to change, then individuals, communities and organisations that articulate those practices will also have to change. And at times, struggles over the definition of the direction and content of change will be acute. There will be hard choices, and elected politicians and public servants at the national and local levels will be required to make those choices – because that is what they are elected and employed to do, and because they are the only ones who (to some extent) can be held to account for those choices.

Thus, the extension of participation does not mean that the role of government is in any sense diminished. On the contrary, governance for sustainable

development depends first and foremost on active *governments* that place this goal at the centre of the political agenda; clearly define the substantive orientation of environmental policy; and establish legal and organisational frameworks to facilitate appropriate participation. In this context, the basic institutions of political rule – including elections, the party system, and the hierarchy of decisional bodies with the constitutionally and traditionally defined separation of powers – remain essential for deciding just what sustainable development implies.

## NOTES

1. The 'different' characteristics of sustainable development in the context of governance are elaborated in Lafferty and Meadowcroft (2000, Ch. 1); Lafferty (2000); and, in more topical form, in the other chapters of the current volume.
2. There are many other techniques for assessing public opinion (such as opinion sampling and focus groups) or of encouraging public feedback (such as public meetings), and it is impossible to discuss them all here. But the four approaches discussed here (public consultation, public inquiry, deliberative microcosm and the referendum) are sufficient to illustrate the broad strengths and weaknesses of the citizen-oriented approach.
3. It should be noted that the communitarian approach embodies a somewhat ambivalent relationship to the formal organisations of local government. Where these institutions are viewed as essentially democratic and accountable, and in touch with the needs of local people, they can be understood as essential mechanisms to express community values. But in contexts where local officials are perceived as stooges of the central authorities, or of an elite tied to outside interests, the communitarian perspective can identify with the local activists and mobilising communities against their formal representatives.

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## 7. From environmental protection to sustainable development: the challenge of decoupling through sectoral integration\*

**William M. Lafferty**

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### POLICY INTEGRATION AS A GOVERNING MECHANISM FOR SUSTAINABLE DEVELOPMENT

The introduction to the present volume places the concept of ‘sustainable development’ within a specific context of applied social science. Given that sustainable development has been broadly endorsed as an overarching goal by the members of the United Nations, and very actively followed up by the members and governing bodies of the European Union, how can social research contribute to a more effective realization of the goal? Within this context the OECD has played an active role in trying to specify and further develop mechanisms and instruments for governance for sustainable development, and the current chapter addresses itself specifically to these efforts. The OECD has formulated the governance challenge for sustainable development as a need for achieving a better balance between the ‘ecological, social and economic’ aspects of welfare provision. The ‘key concepts’ of sustainable development are framed in terms of capital substitution between man-made, natural, human and social capital (OECD 2001a: 6), with key ‘policy elements’ identified as: ‘long-term planning horizons, pricing, the delivery of public goods, cost-effectiveness, environmental effectiveness, policy integration, precaution, international co-operation, and transparency and accountability’ (OECD 2001a: 8).

Relating these distinctions to the problem of governance more generally, we can say that an initial understanding of the goal of sustainable development is to achieve greater environmental effectiveness through cost-effective policy integration, and that this can be realized by employing differing combinations of the other policy elements. Given the very broad (and controversial) nature of ‘environmental effectiveness’, however, we can narrow the discussion to

what the OECD identifies as a ‘key challenge’ of sustainable development: the ‘decoupling’ of environmental pressures from economic growth:

The interaction between economic growth and the natural environment that supports it lies at the core of sustainable development. Economic growth contributes to higher levels of human well being, and provides the resources to address a range of environmental objectives. Economic growth can however also lead to excessive degradation of environmental and natural resources – when incentives to their use are inappropriate and external effects are not internalised. Historically, economic growth has meant transforming much of societies’ stocks of natural resources into other forms of capital. Today, maintaining functioning ecosystems that can support economic and social development is recognised as crucial for development to last, especially when no substitutes are available. (OECD 2001a: 9)

With decoupling as a crucial (almost defining) challenge of sustainable development in a UN/EU/OECD context, and with policy integration as a designated tool for meeting the challenge, the specific task for adapting the ‘form’ of governance to the ‘function’ of sustainable development becomes *a better, more operational, understanding of how policy integration can contribute to decoupling*.

As this approach implies a delimitation of sustainable development in favour of the interaction between environment and economics – with reduced emphasis on the social element – it is important to make this choice explicit. While there can be no doubt that sustainable development stipulates an interdependency and balance between environmental, economic *and* social factors, this does not mean that it is necessary to treat all three aspects equally in an attempt at conceptual clarification and operational improvement. To the contrary, many of the assessments of cross-sectoral policy integration for sustainable development indicate that an insistence on ‘all or nothing’ usually ends up with the latter. Here, as in so many other areas of normative politics, a purist insistence on trying to achieve the idealized goal can prove an enemy of progressive knowledge and change.

It will be argued here, therefore: (1) that the general ‘environmental’ or ‘ecological’ element of sustainable development is the most fundamental aspect – the one without which the concept loses its distinctness; (2) that the notion of ‘decoupling’ implies a necessary interdependency between environment and economics; and (3) that aspects of social welfare and equity are vital *adjuncts* to the environmental–ecological aspect, the nature of which must be clarified through a more focused normative discourse. So as to make these priorities clear – as well as to lay the groundwork for a more nuanced discussion of the integration problematic – we can stipulate a ‘three-component’ understanding of sustainable development goals, with ‘decoupling’ understood here as primarily a question of ‘integrating’ the first two components (Table 7.1).

*Figure 7.1 Basic goal components of sustainable development*

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The environmental/ecological component

Consisting of three major aspects (phases) of normative environmental politics:

- nature conservation
- environmental protection
- ecological balance

The economic component

Consisting of the key elements of the Brundtland/UNCED goal of a 'qualitatively' different mode of ('sustainable') economic development:

- sustainable production through improved 'eco-efficiency'
- sustainable consumption and lifestyles

The social (equity/poverty) component

Consisting of four equitable distributions of individual life chances to satisfy objectively defined 'basic needs':

- national social equity
  - national generational equity
  - global social equity
  - global generational equity
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## THE MANDATE FOR SECTORAL POLICY INTEGRATION

The general orientation of the OECD towards sustainable development rests on a posited relationship between modes of 'over-' and 'under-' development on the one hand, and modes of 'degradation of environmental and natural resources' on the other. The pursuit of sustainable development goals thus far, however, has proved that the postulated causality of this relationship is extremely difficult to 'enforce' politically. The extensive efforts of the Intergovernmental Panel on Climate Change (IPCC) in trying to achieve a consensus on the causes and effects of greenhouse gases makes the point. Discussions as to the validity of the panel's findings still continue at the margins of scientific discourse; and politicians continue to play traditional party-political 'games' with climate policy, despite the enormous resources that have gone into the documentation and dissemination of the causal framework.

The case for pursuing sustainable development (decoupling) through a

better integration of environmental considerations in sectoral policies requires, therefore, stronger political support than that which can be derived from the posited causal relationship alone. While the latter can be said to reflect the ‘realist’ school of ethical thinking, in which scientific data and arguments are mobilized to create moral pressure for change, there is also the possibility of mobilizing arguments from the so-called ‘consensual’ school of ethics (Lafferty 1996). Indeed, one could argue that the pursuit of sustainable development in democratic regimes requires that *primary* consideration be given to consensual ethics.

Or, to state this in another way, the first task of adapting government to sustainable development is to clarify and propagate the democratic ‘mandate’ for goal-directed change. It is not necessary to repeat either the general commitment of all OECD countries to the goals adopted at the Rio Earth Summit, or the clear commitment of the European Union and its member states to the SD goals of the Gothenburg meeting of the European Council. What is needed for the present argument is a stipulation of the more specific commitments to sectoral policy integration. This establishes the ‘baseline’ for political–democratic legitimacy, and documents the core ideas underlying both the goal of decoupling and the means for sectoral integration.

### **The Brundtland Report**

Let me first look at three statements from Chapter 12 of the Brundtland Report (most appropriately entitled: ‘Towards common action: Proposals for institutional and legal change’). It should be remembered that the Brundtland Report (WCED 1987, *Our Common Future*) is the definitive source for the understanding of sustainable development underlying both the Rio Accords and the follow-up process monitored by the United Nations Commission on Sustainable Development (UNCSD). Of the numerous formulations on the need for sectoral integration, the following are particularly concise:

Approaches to environmental policy can be broadly characterized in two ways. One, characterized as the ‘standard agenda’, reflects an approach to environmental policy, laws, and institutions that focuses on environmental effects. The second reflects an approach concentrating on the policies that are the sources of those effects. These two approaches represent distinctively different ways of looking both at the issues and at the institutions to manage them. (WCED 1987: 310)

The ability to choose policy paths that are sustainable requires that the ecological dimensions of policy be considered at the same time as the economic, trade, energy, agricultural, industrial, and other dimensions – on the same agendas and in the same national and international institutions. That is the chief institutional challenge of the 1990s. (WCED 1987: 313)

Sustainable development objectives should be incorporated in the terms of reference of those cabinet and legislative committees dealing with national economic policy and planning as well as those dealing with key sectoral and international policies. As an extension of this the major central economic and sectoral agencies of governments should now be made directly responsible and fully accountable for ensuring that their policies, programmes, and budgets support development that is ecologically as well as economically sustainable. (WCED 1987: 314)

### ***Agenda 21***

Second, we can list a series of ‘objectives’ from Chapter 8 of *Agenda 21*: ‘Integrating environment and development in decision-making’. The statements chosen are from the two most relevant sub-sections of the chapter: (A) ‘Integrating environment and development at the policy, planning and management levels’, and (D) ‘Establishing systems for integrated environmental and economic accounting’. Though the general ideas here are well known in an OECD context, it is worthwhile to have them spelled out in detail (the sequence has been altered to reflect the logic of constitutional governance):

Governments, in cooperation, where appropriate, with international organizations, should adopt a strategy for sustainable development based on, inter alia, the implementation of decisions taken at the [Rio] Conference, particularly in respect of Agenda 21. This strategy should build upon and harmonize the various sectoral economic, social and environmental policies and plans that are operating in the country. (Para. 8.7)

[To adopt] a domestically formulated policy framework that reflects a long-term perspective and cross-sectoral approach as the basis for decisions, taking account of the linkages between and within the various political, economic, social and environmental issues involved in the development process. (Para 8.4.b)

[To improve] the use of data and information at all stages of planning and management, making systematic and simultaneous use of social, economic, developmental, ecological and environmental data: analysis should stress interactions and synergisms; a broad range of analytical methods should be encouraged so as to provide various points of view. (Para 8.5.a)

[To develop] systems for monitoring and [evaluating] progress towards achieving sustainable development by adopting indicators that measure changes across economic, social and environmental dimensions. (Para 8.6)

[To adopt] comprehensive analytical procedures for prior and simultaneous assessment of the impacts of decisions, including the impacts within and among the economic, social and environmental spheres. These procedures should extend beyond the project level to policies and programmes, [and] analysis should include an assessment of costs, benefits and risks. (Para 8.5.b)

To expand existing systems of national economic accounts in order to integrate environment and social dimensions in the accounting framework, including at least satellite systems of accounts for natural resources. The resulting systems of integrated environmental and economic accounting (IEEA) to be established in all member States at the earliest date, and should be seen as a complement to, rather than a substitute for, traditional national accounting practices for the foreseeable future. IEEA would be designed to play an integral part in the national development decision-making process. National accounting agencies should work in close collaboration with national environmental statistics as well as the geographic and natural resource departments. (Para 8.42)

[To monitor and evaluate] the development process systematically and [conduct] regular reviews of the state of human resources development, economic and social conditions and trends and the state of the environment and natural resources. This could be complemented by annual environment and development reviews, with a view to assessing sustainable development achievements by the various sectors and departments of governments. (Para 8.4.d)

[To ensure] transparency of, and accountability for, the environmental implications of economic and sectoral policies. (Para 8.4.e)

## **The European Union**

Finally there is the very specific recognition of the sectoral integration challenge within the European Union. Here it should be sufficient to mention only three aspects of the current work in this area.

First, there is Article 6 of the Treaty of the European Community, which explicitly states that: 'Environmental protection requirements *must* be integrated into the definition and implementation of the Community policies and activities referred to in Article 3 [listing the full range of Community activities] in particular with a view to promoting sustainable development' (author's emphasis).

Second, there is the entire 'Cardiff Process'. Initiated by the Luxembourg European Council in December 1997, and elevated to a full-scale EU programme at the Council meeting in Cardiff, June 1998, the goal here is to guarantee that 'all relevant Council configurations' develop 'their own strategies for integrating environment and sustainable development into their respective policy areas'. Originally directed towards three key sectors and their respective directorates – Transportation, Energy and Agriculture – the mandate has later been expanded to include: Development Aid, the Internal Market, Industry and Enterprise, General Affairs, Economics and Finance and Fisheries.

The more substantive aspects of the process will be returned to later, but here it is relevant to cite the conclusion of one of the more comprehensive evaluation reports. Having reviewed the 'level of legal and political commitment' supporting the initiative, the report concludes that:

In summary . . . the Cardiff Process can be characterized as binding and committing. Legally, the binding nature is rather weak, but the political commitment is strong. There was a clearly expressed will at the start, which was reinforced at various levels throughout the whole process. Of significant importance are the various self-commitments of the Council configurations to further refine or revise the strategies, and the work packages delegated to the European Commission or specific working groups. (Kraemer 2001: 33)

Finally we can mention the most recent endorsement in the form of the high-profile EU 'Strategy for Sustainable Development'. Authored directly by the office of the President of the EU Commission, and presented to the European Council in Gothenburg in June 2001, the strategy states that:

The process of integration of environmental concerns in sectoral policies, launched by the European Council in Cardiff, must continue and provide an environmental input to the EU Sustainable Development strategy, similar to that given for the economic and social dimensions by the Broad Economic Policy Guidelines and the Employment Guidelines. The sectoral environmental integration strategies should be consistent with the specific objectives of the EU Sustainable Development strategy. (CEC 2001: 14)

This combination of general goals and more specific objectives can be seen as a set of minimal 'external' standards for adapting 'government practice' to sustainable development (that is, standards formulated and adopted in political bodies 'external' to the nation state). The importance of these standards is that they establish the democratic political legitimacy of the policy integration task; a legitimacy that our recent comparative analysis of SD implementation in nine OECD countries and the European Union indicates is vitally necessary if sectoral integration is to be taken seriously and pursued effectively within the realm of 'normal' national politics (Lafferty and Meadowcroft 2000).

Despite this relatively specific focus and broad-based support, however, the notion of policy integration for sustainable development has not been adequately developed conceptually, nor has it been subjected to comprehensive scientific analysis. As summarized in the *Manual of Environmental Policy* (IEEP 2001): 'Despite a progressive commitment to environmental integration, relatively little attention has been given to defining the concept. There is a confusing variety of methods for taking more account of environmental factors in the development of sectoral policies'.

This situation possibly reflects the fact that the concept implies a relatively strong revision of the traditional hierarchy of policy objectives, where environmental goals and values historically have tended to be ranked below issues of national security, economics and finance, labour relations, education and welfare. This indicates an apparent failure of the discussion to appreciate the extent to which the concept forms part of a broader political process; a

process that provides for a revision of the traditional hierarchy of policy objectives, with the portrayal of environmental objectives as central, and even principal. A conceptual clarification of this point emerges as a key prerequisite for further empirical work on sectoral integration.

The next two sections are devoted, therefore, to: first, presenting a more systematic framework for analysing relevant integration dimensions; and, second, elaborating on the meaning of the framework by relating it to recent case studies of national efforts to achieve governance for sustainable development.

## THE CONCEPT OF ENVIRONMENTAL POLICY INTEGRATION (EPI)

The integration of environmental concerns into other policy areas has been diversely referred to as ‘environmental integration’, ‘environmental policy integration’, ‘sectoral integration’, or simply ‘integrating the environment into . . .’, etc. Following the leading source for theoretical work in this area, Lenschow (1997, 1999, 2001), the term employed here is ‘environmental policy integration’ – EPI. The way in which EPI differs from the other terms depends on how each is defined and understood. For the purposes of the present analysis, EPI is to be understood as a term that for all intents and purposes covers the other environmental integration-related concepts.

One disadvantage with EPI is that it may be taken to signify an environmental policy objective that is more limited than the broader agenda for ‘sustainable development’. As indicated above, however, EPI is here used as an operational ‘shorthand’ for the environmental or ecological ‘core’ of the sustainable development idea. Where necessary, the sub-tasks and goals of sustainable development as outlined in Table 7.1 will be differentiated.

Despite the emphasis on EPI in the development of European environmental policy, most of the conceptual treatments are relatively ‘diffuse’. Lenschow has gone farthest in trying to systematize the concept (see references), but the result is still too general to provide either specific analytic dimensions or practical guidelines. Underdal (1980), on the other hand, discussed policy integration early on with greater conceptual sharpness; but had relatively little to say about environmental policy. The goal here is to try to bring these two approaches closer together.

Beginning briefly with the development of the concept, Liberatore (1997) has provided what is probably the most frequently cited text on the question. Her understanding of ‘integration’ covers, however, a number of features of environmental policy-making that are less useful in delineating the type of ‘value-added’ conceptual differentiation referred to above. She discusses, for example, integration with respect to issues, sectors, organization, space and



time, distributive elements and instruments, without drawing out the specific implications of the 'issues-and-sectors' aspect. Integration across space and time, for example, relates to matters of intergenerational justice and international cooperation that preclude a more precise operational understanding of the environmental/ecological dimension.

Ute Collier's work on EPI serves as a relatively specific point of departure, since she is one of the very few who have addressed the nature of the concept distinct from its application in everyday policy discourses. She offers a three-point definition of the objectives of environmental policy integration (Collier 1994: 36):

- to achieve sustainable development and prevent environmental damage;
- to remove contradictions between policies as well as within policies;
- to realize mutual benefits and the goal of making policies mutually supportive.

These points serve as a useful 'preface' to a more precise formulation.

*Sustainable development and/or environmental degradation.* Collier's formulation is in line with general policy guidelines in the OECD and EU, where the integration problematic is formulated as a question of preventing environmental degradation *as an integral part of the pursuit of sustainable development*. As already indicated this is a key feature of the sustainable development agenda, but the conceptual issue must be further probed. Objectives such as the 'polluter-pays-principle' or the 'precautionary principle' point, for example, towards the realization of broad environmental objectives (such as sustainable development). But this does not tell us much about what these principles entail in terms of policy integration. An understanding of the latter requires more specific criteria for when EPI is in force.

*Contradiction between and within policies.* This point is effectively a question of policy coordination (or 'coherence'), which is a valuable aspect of the discussion. Once again, however, there is little in the way of graduated clarification. As Collier herself points out, *all* good policy-making would involve a high level of policy coordination. Yet she does not elaborate on the consequences of this: namely that if we are trying to say something about the essence of the principle of EPI (that is, what enables us to distinguish it from environmental policy-making in general), then policy coordination or the removal of contradictions between policies as such is not very helpful. EPI is, of course, about policy coordination in that it entails an adjustment of non-environmental policy to a better achievement of environmental objectives. But the essential point is to convey the process in a way that captures the essence of environmental *priorities*. This requires a specific *type* of policy coordination that is to be manifest in and through sectoral integration.

*Mutual benefits and interactions.* This point is perhaps the most problematic in Collier's treatment; as well as the literature in general. It concerns the realization of mutual benefits. Two points should be noted. First, it is again quite clear that anyone seeking to pursue *any* policy objective would seek to point out benefits not only for the 'home' sector, but also for other sectors, as this would be a central element of a successful policy. In other words, what is being described is once again a feature of any good policy-making strategy. While this may be a useful aspect of EPI as well, it does not point towards a *distinct* purpose for EPI.

Second, while it is clear that there are many 'win-win' cases where mutual benefits can be realized, it is equally clear that the idea that this is the *dominant* feature of environmental policy-making is contestable to say the least. This is something that Collier recognizes explicitly, yet the implications of this recognition are not drawn out. The same problem is also manifest in much of the more practical discourse on EPI. Difficulties encountered with the operationalization of sustainable development in Western Europe *could*, for example, be the result of an inability on the part of policy-makers to see and realize mutual benefits. And if this were the case, a better and more enlightened view of all policy sectors would clearly be an important aspect of the solution.

An equally plausible and highly relevant case can be made, however, to the effect that there are numerous very real conflicts of interests with respect to many environmental issues.<sup>1</sup> The Swedish Environmental Protection Agency has, in this regard, outlined a list of potential conflicts of objectives that may emerge as a result of attempts to achieve environmental policy integration, and it seems clear that these types of conflict cannot be 'assumed away' (SEPA 1999: 41–8). A primary focus on the search for 'mutual benefits' may, in other words, draw attention away from the fact that environmental policy often affects certain interests in a negative manner, and in ways that are clearly not susceptible to easy mitigation.<sup>2</sup> In this light the attempt to identify EPI with (primarily) a search for mutual benefits serves only to underplay numerous vital challenges inherent in the 'decoupling' objective.

In sum, while Collier's definition clearly places the principle of EPI in a fruitful and very relevant policy context, the approach comes up short in providing a more precise analytic 'cutting edge'. Probing this particular issue further, we can turn to one of the earliest treatments of the policy integration problematic: Arild Underdal's work on marine policy from the 1980s. Even though Underdal deals with policy integration in general, and not with environmental policy integration *per se*, his approach clearly stipulates what is lacking in the works cited above: a clear statement as to what makes an integrated policy different from other forms of policy-making.

In Underdal's formulation, for a policy to be 'integrated', three criteria must be satisfied: *comprehensiveness*, *aggregation* and *consistency* (Underdal

1980: 159). 'Comprehensiveness' refers to a given 'breadth' of time, space, actors and issues; 'aggregation' to the evaluation of policy from an 'overall' perspective (that is, not merely from the perspective of a particular actor or issue area); and 'consistency' implies that the different components of an integrated (aggregated and comprehensive) policy are in accord with each other. The latter requirement applies across different departments and different levels of governance.

Underdal then defines an integrated policy as one where: 'all significant consequences of policy decisions are recognised as *decision premises*, where policy options are evaluated on the basis of their *effects on some aggregate measure of utility*, and where the different policy elements are in accord with each other' (Underdal 1980: 162, emphasis added).

Translating the basic logic of this formulation into terms of direct relevance for EPI, we can say that environmental policy integration implies:

- the incorporation of environmental objectives into all stages of policy-making in non-environmental policy sectors, with a specific recognition of this goal as a guiding principle for the planning and execution of policy;
- accompanied by an attempt to aggregate presumed environmental consequences into an overall evaluation of policy, and a commitment to minimize contradictions between environmental and sectoral policies by giving principled priority to the former over the latter.

The definition thus indicates two separate 'dimensions'. The first is the actual definition of the integration principle, incorporating a combination of the general statement put forth by Collier (1994) with the more specific definition of Underdal (1980). It refers to the general category of 'environmental objectives', which could be sustainable development or any other environment-related policy goal. Further, it specifies what the integration principle actually implies in terms of policy-making: that the environmental objectives need to be part of the fundamental premises for policy-making at all stages. It thus specifies initial criteria for claiming that a specific policy is environmentally integrated.

The second dimension may at first sight appear superfluous, since the initial integration principle should be quite clear. It is here, however, that we face the crucial issue in defining EPI: *the relative importance of sectoral and environmental objectives*. Most discussions of EPI appear to assume that the environmental and non-environmental objectives can (and should) be 'balanced': that is, that any conflicts between policy objectives can be resolved to the satisfaction of all affected interests. Yet looking at the broader context and history of the integration discussion, it is quite clear that this

assumption is problematical. It could be argued in fact that the whole point of EPI is – at the very least – to avoid situations where environmental objectives become subsidiary; and – in the broader purview of sustainable development – to ensure that they become ‘principal’ or ‘overarching’ societal objectives. This is arguably *the* essential difference between ‘environmental policy integration’ and ‘policy integration’ conceived more generally. As such it requires closer conceptual scrutiny.

### **Integration as a Question of Priorities**

In her work on the integration of environmental concerns in energy policies in Europe, Collier (1994) sets out a framework for integration where environmental, energy-centred and economic concerns are presented as three sides of a triangle. Policy integration is placed in the middle of the triangle, where the three objectives are viewed as ‘balanced’ (Collier 1994: 254). The issue in question here is the extent to which such a representation describes EPI, since the imagery does not convey a sense in which environmental policy objectives are given priority in the policy process. The difference between the two approaches is significant. Given a conflict of specific policy objectives, ‘policy integration’ in Collier’s view is apparently neutral as to which type of policy prevails in the integration process. Policy integration *for sustainable development*, however, consists (in line with the OECD emphasis on decoupling) of the integration of environmental concerns *into* other sectoral policies. Whereas the former implies either a neutral balance or an ultimate priority for the existing sectoral policy, the latter indicates an underlying priority for the impact of *change* adhering to the environmental aspect. Collier does discuss an ‘environment-centred’ approach to policy-making, where environmental objectives are given priority, but this is only given a qualified normative endorsement, not a principled conceptual endorsement.

And this would seem to be a general characteristic of the EPI-related literature. Integration is viewed as well and good in a very general sense (‘coherence’, ‘balance’), but the issue of ultimate priorities in the give-and-take of intra-governmental politics, is not confronted. Liberatore (1997) for example, in her seminal work on EPI, never really discusses the value hierarchy that, in the present view, logically lies at the heart of environmental policy integration. She indicates, of course, that environmental objectives need to be placed in a more influential position in sectoral policies in general; but this is an extremely modest form of priority given the extremely low level of EPI in EU decision-making at the time.

Assuming the point to be both crucial and controversial, it can be elaborated in two respects. First, the entire shift in environmental policy discourse over the last couple of decades concerns the prioritization of environmental

policy vis à vis other policy sectors. The fundamental premise of the documents cited above – the Brundtland Report (*Our Common Future*), *Agenda 21*, the successive EAPs and strategy documents of the EU, as well as numerous more recent ‘national strategies for sustainable development’ – is that environmental policy *must* be moved from periphery to centre in regional, national and local decision-making.

Second, this shift must be seen as not just a matter of bringing environmental objectives into the policy-making process in non-environmental sectors in a ‘balanced’ way; but as involving an increasing recognition and acceptance of the fact that the challenge of sustainable development involves *the prospect of irreversible damage to life-support systems*. This implies that there will be at least *some* environmental/ecological objectives that simply cannot be ‘balanced’ with political goals that challenge the basis for such life-support systems. In short, an understanding of the entire historical discourse leading up to, and succeeding, the WCED, UNCED, WSSD and EU processes, indicates that vital environmental concerns must – when ‘push comes to shove’ in policy and budgetary conflicts – be seen as principal.<sup>3</sup>

To illustrate the type of prioritization in question, we can turn briefly to the current priority principle for policy-making in most Western democracies – the ultimate policy ‘trump’ – economic concerns. Every policy sector, on every level, is today expected to take economic factors into consideration in the planning of policy (budgeting), the execution of policy (following budgets), and internal and external evaluation (accounts and auditing). The objectives of economic policy (balance of payments, targets for growth, checking inflation, keeping down interest rates, ensuring full employment, etc) are thus either explicitly or implicitly infused into virtually every other policy sector that does not have a principal responsibility for economic objectives. This clearly illustrates how the objectives of a given policy sector – in this case under the tutelage of the Minister of Finance – can influence, and in most cases dominate, policy-making in other sectors that have no explicit responsibility for the ‘external’ objectives.

Drawing a parallel to environmental policy, one can envisage an environmental objective – curbing CO<sub>2</sub> emissions for example – whereby non-environmental sectors would be similarly monitored for compliance with the overriding norm. This would apply to both each individual sector and cumulatively across sectors. There would be a clear stipulation of CO<sub>2</sub> emission targets; a systematic monitoring of sectoral activity to ensure CO<sub>2</sub> emissions did not exceed targets; evaluation procedures to compare actual emissions with the targets; and external auditing to make sure that no one finagled the numbers. Clearly we are a long way from such a situation. But the basic notion of EPI as a goal of governance is to bring policy-making closer to such an ideal typical situation, and it is this expectation that is given specific expression in the second part of the definition presented above.

It must be quickly added, however, that the ‘priority’ dimension of the definition should not be seen as some kind of an ‘edict’. Given that policy priorities must be decided democratically, the priority aspect of integration should not be taken to mean that environmental objectives must *in every case* override other societal or economic objectives. The caveat *primarily* must, therefore, be included in the definition to be open to the very real possibility that other policy objectives will, at times, be deemed more important than environmental concerns. In the words of the Brundtland Report: ‘every ecosystem everywhere cannot be preserved intact’ (WCED 1987: 44).

It is thus crucially important not to define the issue in an ideological, and clearly unrealistic, way. The ultimate ‘trade-off’ in achieving EPI is that between existing democratic norms and procedures on the one hand, and the goals and operational necessities of sustainable development on the other (as outlined in the Introduction to the present volume). A ‘strong presupposition’ in favour of environmental concerns vis à vis other sectoral and national concerns cannot be converted into an ‘extra-democratic’ mandate. It can, however, be considerably strengthened. Just how such a principle of *prima inter pares* to the advantage of environmental/ecological concerns is to be applied in practice, remains a key challenge of a reconstituted governance for sustainable development. Fortunately – as we will see below – it is a challenge that is being increasingly addressed through institutional innovation in various governing contexts worldwide.

Having established a baseline conceptual position on EPI – one that hopefully provides a clearer distinction as to the ‘value-added’ nature of the concept – the next task is to translate the logic of the position into more analytically operational terms.

### **The Dimensions of Environmental Policy Integration**

As a basic differentiation for a more concise and operational understanding of the policy integration challenge, we can distinguish between the *horizontal* and *vertical* dimensions of EPI. The implicit ‘topography’ for these dimensions is the Western model of cabinet governance, with administrative responsibility for societal ‘sectors’ divided among designated departments, ministries and agencies. The prototype of the model is the type of democratic national system that emerged in Europe and North America during the 18th and 19th centuries, and that is common today, with numerous variations, in all OECD countries. The same basic division of responsibilities is also widely prevalent at regional and local levels of democratic governance.

This needs to be clarified at the outset since the term ‘sectoral integration’ is often used in the literature to denote *both* political–administrative sectors of

government and the actual sectors of society that governments are trying to affect. The emphasis here is on the *integration of policy-making as a feature of governmental steering according to differentiated sectoral responsibility*. The focus is thus primarily on the institutions, processes and policies of *governments*; less on the actual interactions and consequences of *governance* in the sectors themselves.

### **Vertical environmental policy integration (VEPI)**

The vertical dimension of EPI indicates the extent to which a particular governmental sector has accepted responsibility for the integration of environmental objectives into the portfolio of policy objectives that the administrative unit continuously pursues. VEPI involves the degree to which a sector has been ‘greened’ or ‘ecologized’; the extent to which it has merged environmental objectives with its characteristic sectoral objectives to establish an environmentally prudent basis for its decision-making and implementation. This ‘greening’ does not presuppose an overarching primacy for environmental goals at the cabinet level. Each sector is left free to develop its own understanding of the concept and its implications. The dimension focuses on the degree of EPI *within* the steering domain of the individual department or ministry. This *may* lead to significant environmental integration within the sector itself, dependent on the level of ministerial commitment and the ability of sectoral officials to counterbalance external demands for ‘normal’ sectoral outputs with internally stipulated environmental priorities, *and* to discover, employ or foster effective means of governance.<sup>4</sup>

As an initial indication of what VEPI entails, we can mention the following checklist of interdependent operational mechanisms:<sup>5</sup>

- a *scoping report* providing an initial mapping and specification of sectoral activity, which identifies major environmental/ecological impacts associated with key actors and processes – including the governmental unit itself;
- a *forum* for structured dialogue and consultation with designated principal stakeholders and citizens;
- a *sectoral strategy* for change, putting forth the basic principles and goals for the sector;
- an *action plan* to implement the strategy, with stipulated priorities, targets, timetables, policy instruments and designated responsible actors;
- a *green budget* for the integration and funding of the action plan;
- a *monitoring programme* for overseeing the implementation process, its impacts and target results, including specified cycles for monitoring reports and revisions of the sectoral strategy and action plan.

These mechanisms can be viewed as baseline institutional reforms for vertical policy integration, with the expectation that each can be operationalized and assessed by means of more detailed indicators. The list serves to identify basic standards for whether or not a given sector has taken on board the challenge of environmental/ecological integration. The key initiative in this regard is *the combination of sectoral strategy and action plan*. As indicated, however, both of these elements will be of limited importance if the overall effort fails to properly assess and identify the key environmental challenges for the sector; or if it fails to stipulate realistic targets, benchmarks and measures for objective assessment of implementation results. The possibility of pursuing change without the formal structure of a strategic plan is, of course, possible. Such ‘ad hoc’ approaches are however notoriously ‘fragile’ in the daily workings of sectoral departments, where they must compete on an ongoing basis with the dominant interests of more traditional sectoral policy-making.

Finally, it is important to stress again that, in the present context, the term ‘vertical’ has a *functional, intra-departmental* connotation, and not a connotation implying a multi-level *constitutional* division of powers. The vertical axis of VEPI signifies administrative responsibility ‘up and down’ within the arena of ministerial sectoral responsibility. The imagery is one of public authorities influencing and interacting with sector-specific actors, both individual citizens and collective (‘corporate’) actors of differing intents and purpose. This must be stressed because the more common usage of ‘vertical’ in an EU context is related to the achievement of environmental goals within and across the constitutional domains of sub-EU national, regional and local authorities. This usually takes the form of coordinating policy across different *legal domains*, a discourse that includes the debate on ‘subsidiarity’, and that implies a different understanding of ‘vertical integration’.<sup>6</sup>

### **Horizontal environmental policy integration (HEPI)**

The advantage of this differentiation becomes clearer when the second, horizontal, dimension of EPI is considered. This is the extent to which a central authority has developed a comprehensive cross-sectoral strategy for EPI. This ‘central authority’ can be the government (cabinet) itself; or it could be a particular body or commission that has been entrusted with an overarching responsibility for sustainable development; or an inter-ministerial body assigned to handle what are considered to be important overarching issues (such as the EU Commission’s ‘Prodi-Group’ for sustainable development strategy).

In its most essential form, HEPI involves the question of the *relative authority* to be associated with environmental/ecological concerns in determining the overall policy-making goals and procedures of the responsible



political–administrative unit. If ‘Who gets what, where, when and how?’ is the essence of politics, then the relevant understanding of HEPI is to identify ‘environmental interests’ as the prioritized ‘what’ – before working out the ‘who, where, when and how’ in a judicious manner. This entails, of course, the negotiation of conflicts between environmental objectives and other societal objectives; between different sectors pursuing alternative environmental objectives; and between the alternative possible consequences of specific environmental initiatives (that is, environmental ‘dilemmas’ where the consequences of one ‘solution’ create new and different environmental problems in another direction, often treated by economists as so-called ‘rebound effects’ (see Ruud, Ch. 8, this volume).

Also forming part of the horizontal dimension is the central authority’s communication to the sectors of a more detailed understanding of what the central authority aims to achieve by EPI, and the implications this should have for sectoral policy. Assigning the environment either a privileged place or a place among equals at the sectoral policy table can be communicated through a wide diversity of legal–administrative mechanisms, and the effects on the actual degree of HEPI, both within and across sectors, will vary considerably according to the measures chosen. The ‘medium’ will, in many cases, be the ‘message’. Assessing the degree of HEPI is thus a question of assessing both the basic mandate for environmental privilege – when and where it is to be regarded as ‘trump’ – as well as the detailed specifics for realizing the mandate in and through the workings of public administration.

An initial list of appropriate mechanisms for HEPI would include:

- a *constitutional mandate* providing provisions for the special status of environmental/sustainable development rights and goals;
- an *over-arching strategy* for the sectoral domain, with clearly enunciated goals and operational principles, and a political mandate with direct backing from the chief executive authority;
- a *national action plan* with both over-arching and sectoral targets, indicators and timetables;
- a *responsible executive body* with designated responsibility (and powers) for the overall coordination, implementation and supervision of the integration process;
- a *communications plan* stipulating sectoral responsibility for achieving overarching goals, and outlining how intra-sectoral communications are to be structured and made transparent;
- an *independent auditor* with responsibility for monitoring and assessing implementation at both governmental and sectoral levels, and for proposing revisions in subsequent generations of strategies and action plans;

- a *board of petition and redress* for resolving conflicts of interest between environmental and other societal objectives, interests and actors.

As with the vertical indicators, these should be considered ‘baseline’ requirements for achieving (and assessing) horizontal, cross-sectoral integration of environmental/ecological goals. Other mechanisms will surely emerge as the discourse on EPI achieves greater prominence among both researchers and practitioners, and as more focused and intensive empirical studies are carried out. The following section presents a brief overview of existing empirical results within the two-dimensional framework.

## RECENT CASE STUDIES IN THE LIGHT OF HEPI–VEPI

### The COMPSUS Project

The COMPSUS project headed by Lafferty and Meadowcroft (2000) represents the first attempt to analyse the implementation of sustainable development within a comparative, cross-national research design. The question of sectoral integration was treated under several separate analytical categories, and the overall results were summarized as follows:<sup>7</sup>

With respect to intra-ministerial integration there is evidence that the processes have been more formal than substantive, and that environmental concerns continue routinely to be over-ridden by development interests. In some jurisdictions ‘integration’ has been almost entirely at the level of rhetoric – in Japan, for example, production oriented ministries and plans operate in parallel with organisations and plans centred on environmental sensitivity; and in the European Union the environment has remained essentially marginal to key spending programmes such as the Common Agricultural Policy and the Structural Funds. Even where the intra-ministerial integrative ideal has been more thoroughly pursued – as in Norway or Canada – the quality of the departmental engagement with environmental concerns or the broader sustainable development agenda is typically weak. With respect to the more complex issue of sectoral integration, similar sorts of criticisms could be made. In most areas of social decision-making the environment remains an ‘additional’ consideration. True, it is now often understood as a necessary consideration (rather than as merely an optional one); but it cannot be said that environmental impacts are being factored in to sectoral processes from the outset. (Lafferty and Meadowcroft 2000: 434)

With respect to horizontal integration, the study indicates that national sustainable development strategies (SDS) are extremely important, since their existence indicates a political commitment to the crucial role that the UNCED process has assigned EPI in the national policy-making context. Thus, the very

existence and nature of an SDS gives a strong indication of how a government relates to EPI in the overall decision-making context.

Further, an SDS is bound to discuss matters related to economic and social development, as these are integral aspects of sustainable development. While this is not in and of itself crucial for EPI, it does increase the likelihood that a deliberate and purposive process of weighing various societal objectives up against each other will be carried out. A judicial balancing of environmental objectives against other societal *and* environmental objectives is a crucial aspect of the horizontal dimension of environmental policy integration. It entails an open acknowledgement of the strong potential for conflicts of interest if the demanding goals of sustainable development are to be taken seriously; at the same time that it provides a central platform and arena for attempts to transcend such conflicts. As the Swedish experience with integration efforts has shown (SEPA 1999), there is no lack of examples of conflicting environmental objectives. The vital question for EPI, however, is whether or not such conflicts have a political forum and policy-making process where conflicting interests and demands can be weighed against democratically derived guidelines and principles.

Equally important is the existence of a specific central authority: an identifiable and responsible institution to oversee and administer the process of strategic integration. This is a basic *realpolitik* aspect of the horizontal dimension, in that a separate sectoral environmental authority will rarely, if ever, have the authority necessary to intrude environmental objectives into the decision-making premises of other sectoral authorities. The ‘ranking’ of ministries and departments is a notoriously imprecise exercise. The COMPSUS study indicates, however, that it is extremely unlikely that a ministry of environment will, with any degree of consistency, win through when faced with opposition from, for example, ministries of finance, industry, transport, energy or agriculture – all crucial sectors for overall environmental performance.

The logic of decision-making in a sustainable development value frame requires, in other words, that the responsibility for promoting and overseeing environmental objectives be anchored in an overarching authority structure. This can be directly integrated into or placed under the responsibility of the chief executive (as was originally intended in Norway after the Brundtland Report); or placed in an appropriately authorized planning agency (as in Holland during the more enthusiastic early phases of national environmental planning [NEPPI]); or located within the domain of the legislature (as with the unique Commissioner for the Environment and Sustainable Development in Canada); or placed outside of the political process in the form of a last-resort judicial organ.

As a most general conclusion Lafferty and Meadowcroft indicate that it is very rare to see both dimensions of EPI operational at the same time, despite

the fact that all ten of the domains covered by the study have endorsed sustainable development through the Rio Accords. Broadly speaking, vertical integration (VEPI) is clearly the dimension that is most actively pursued and variously achieved. Consequential examples of horizontal integration (HEPI) are much more difficult to document. This is hardly surprising given the fact that VEPI involves less inter-departmental conflict, and decidedly less change in the overall allocation of sectoral winners and losers. The issue raised by the two-dimensional approach, however, is whether vertical integration is sufficient in itself to achieve the general ambitions of policy integration within the sustainable development discourse. The position taken here is that it clearly is not.

In the period since the publication of the COMPSUS study, there have appeared a number of very relevant new studies. Highly focused case studies of ‘governance for sustainable development’ in five countries (Germany, the United Kingdom, Canada, the Netherlands and Japan) have been commissioned by the OECD (OECD 2002); the ‘Cardiff Process’ of the European Community has been independently assessed and politically reported (Fergusson et al. 2001; Kraemer 2001; MoE 2001); and small-scale analyses of sectoral integration in Norway and Denmark have been conducted (Hovden and Torjussen 2002; Knutsen 2001; Lafferty and Hovden 2003; Statskonsult 2001; Torjussen 2001). In the following, the focus will only be on the lessons to be learned from the updated OECD national case studies. This is mainly for reasons of space and direct relevance. While the lessons to be drawn from the other two approaches are clearly relevant for the integration problematic, the Cardiff Process involves materials at a supra-national level (and appears to be temporarily ‘on hold’); and the Danish and Norwegian studies are more limited evaluations of specific national sectors. Since the purpose of the chapter is to develop more general criteria for the study of governance for sustainable development, it is best at this stage to draw lessons from the dominant mode of national constitutional governance.

### **The OECD Case Studies**

The OECD case studies are specifically commissioned studies of governance for sustainable development (OECD 2002). They represent highly focused attempts to bring out the particular nature of the functional challenge, and are thus complementary to the COMPSUS studies of the same countries. All five of the OECD cases are covered by the COMPSUS project but for present purposes emphasis will be placed on just three cases: Germany, Canada and the Netherlands. These three countries have long been considered to be among the most advanced in the world with respect to ‘traditional’ environmental policy, so that a brief comparison of the three with respect to government-based sectoral integration provides a solid foundation for the form–function problematic:

- At a most general level, it is interesting to note that all three studies treat the integration question with differing approaches and illustrative content. The terms ‘horizontal’ and ‘vertical’ are used in the presentations, but not systematically. There is also a general tendency to duplicate the Liberatore (1997) approach by associating a very broad spectrum of issues, instruments and mechanisms with policy and sectoral ‘integration’.
- There is a general trend to portray the integration challenge as one of integrating environmental concerns into sectoral policy, and of either ‘reconciling’, ‘coordinating’ or ‘making coherent’ sectoral and environmental concerns. In most cases these challenges are associated with either VEPI processes, or with HEPI, viewed as better communication and coordination. There is in general very little attention given to the question of priorities, ‘trumps’ or zero-sum confrontations.
- All three studies are characterized by an underlying ambiguity (which clearly reflects the situation in the cases themselves) as to whether the integration challenge consists mainly of: (1) the ‘greening’ of governmental practice itself; (2) the documentation and planned amelioration of the negative environmental impacts of governmental practice; or (3) the broader issue of assessing and changing the negative environmental/ecological consequences of non-governmental sectoral driving forces (that is, the broader issue of ‘decoupling’). Clearly the decision as to where one sets the ‘threshold’ for the EPI challenge across this spectrum will have decisive implications for how the problem is conceptualized and approached empirically.
- All three studies document an extensive range of institutional and procedural mechanisms for sustainable development governance. Some of these are explicitly designed to achieve greater policy integration, while others can be said to contribute to integration without being designed to do so. Even though most of these mechanisms are related to the ‘vertical’ rather than the ‘horizontal’ dimension, they provide an extensive catalogue of relevant mechanisms for ‘governing’ for sustainable development. In this respect, the studies provide further evidence of the distinct nature of the SD agenda, as well as the seriousness with which the agenda is being addressed in these countries.

A close reading of the studies indicates however that the mechanisms at work in each country point towards different approaches to the challenge of environmental policy integration. In light of the HEPI–VEPI distinction, and with the intent of establishing a comparative baseline for future conceptual development and empirical analysis, these differences can be highlighted with reference to the OECD studies.

## **Germany**

The German case provides evidence of increasing policy integration in practice – if not by design. This is clearly a result of several decades of front-running ‘end-of-pipe’ approaches in German environmental policy. Of particular interest here are: (1) strong pieces of legislation that combine benchmark indicators, target groups, specific policy instruments and monitoring procedures for key sectoral challenges (such as the innovative ‘Renewable Energy Act’); (2) the use of ‘Green Books’ outlining all of the relevant international obligations for each sector of ministerial responsibility; and (3) the development of a ‘German Environmental Index’ (the DUX), which is based on a relative scoring system that constantly indicates how far (or ‘short’) sectors have come in contributing to overall goal achievement. There is also in place a Conference of Environment Ministers (UMK), which is designed to coordinate strategy and policy across the different levels of government, and which clearly contributes to heightened VEPI awareness at the federal level.

With respect to HEPI, the German potential would seem to be just that: a set of steering mechanisms with strong potential, but which is only now coming into effect. The most important of these mechanisms would appear to be a ‘Green Minister’ initiative. This is a reform similar to that adopted in the United Kingdom (OECD 2002: 288–91), but which, in the German case, is more ambitiously designed as a type of internal ‘Green Shadow Cabinet’ consisting of ten Secretaries of State and chaired by the Head of the Chancellor’s Office. The body is also to work in close conjunction with a new ‘Council for Sustainable Development’. Though it is still too early to fully assess the impacts of these mechanisms, the potential for strong and substantive horizontal coordination and steering at the executive level is now in place.

## **Canada**

The Canadian case represents at this point what appears to be a highly ambitious and multifaceted attempt to come to grips with the integration task.<sup>8</sup> The mechanisms, bodies and procedures in place point towards a strong potential for improved intra-governmental coordination and integration. This *may* reflect the detailed thoroughness of the case study itself, which provides a wealth of material and perspectives. The resulting documentation indicates, at any rate, a set of steering devices that brings together statutory, institutional and administrative provisions. Among the numerous bodies in place, the most important in the present context are: (1) the long-standing National Round Table on the Environment and the Economy (NRTEE: with its very pointed title *vis à vis* decoupling); (2) the Commissioner for the Environment and Sustainable Development (CESD); (3) the Treasury Board Secretariat (TBS) (with designated tasks in relation to the sectoral strategies for SD); and (3) the Canadian Environmental Assessment Agency (CEAA). These institutions

appear to perform different supplemental roles in the service of SD sectoral integration. The mandates of the TBS, CESD and CEAA derive from legislative acts, providing them with considerable long-term legitimacy.

The fact, for example, that 28 governmental units (departments, agencies and other bodies) have already prepared second-generation sectoral plans for sustainable development – and that the CESD has, for the past six years, monitored these strategies in a parliamentary context – is indicative of a strong integrative potential. The CESD also routinely handles ‘petitions’ on SD-related problems and complaints, serving as a legally designated intermediary between sectoral departments and agencies on the one hand, and individual citizens and stakeholders on the other. In addition – and parallel to these procedures – the NRTEE has mobilized key economic and environmental actors to provide continuous input to the governance challenge in the form of specific projects and tasks, and these appear to have an ongoing impact on planning and budgetary procedures. Even though much of VEPI is still relatively ‘internal’ in Canada (with an emphasis on the ‘greening’ of governmental practice), the iterative effects of the highly publicized CESD auditing procedures, and of the more managerial CEAA assessment procedures, provide relatively transparent channels for keeping the SD rhetoric active in the system. As for HEPI, the actual achievement of strong horizontal steering is not yet documented. The challenge is, of course, much more demanding in a highly decentralized federal system like Canada. But the fact that the federal government has at least recognized the problem and organized (in April 2000) a ‘Leaders Forum on Sustainable Development’ to focus the issue of sectoral integration (OECD 2002: 52), indicates a perceived political need to work towards more effective means of integrative governance.<sup>9</sup>

### **The Netherlands**

In contrast to Canada – and somewhat less to Germany – the Netherlands has not (yet) relied on specific bodies for coordinating governance for sustainable development. Indeed, it was not until 2001 that the government initiated work on a National Strategy for Sustainable Development, clearly motivated by the need to present such a strategy at the World Summit on Sustainable Development (WSSD) in Johannesburg (August–September 2002). The OECD case study doesn’t identify any other major governing body with sustainable development as part of its specific remit.<sup>10</sup> This does *not* mean, however, that the idea of sustainable development has been absent from Dutch policy in the area; just that it has not been given a differentiated administrative profile. The idea has, however, been more prominently featured in NEPP4 (13 June 2001), the fourth generation of Holland’s exceptional National Environmental Policy Plans. Should NEPP4 be taken as seriously as the three previous plans, a more visible institutionalization of sustainable development may be expected in the near future.<sup>11</sup>

What the Dutch lack in SD institutional labelling is, however, strongly compensated for by identifiable EPI initiatives, both rhetorically and in practice. On the basis of the comparative materials available, the Netherlands emerges as a solid front-runner with respect to ‘vertical’ environmental policy integration. This is manifest in numerous aspects of Dutch environmental policy, the most important of which are:

- *Intra-ministerial ‘fusion’*. Due to a preordained limitation on the number of ministries in Holland, several ministries combine sectoral responsibility in a way that can lead to a form of ‘symbiotic’ interaction. The most important constellations for EPI here are: the Ministry of Housing, Spatial Planning and the Environment; the Ministry of Agriculture, Nature Management and Fisheries; and the Ministry of Transport, Public Works and Water Management. The case studies document for each of these institutions results that appear to derive, directly or indirectly, from ministerial ‘cohabitation’.
- *National Environmental Plans*. The four ‘generations’ of national environmental plans in the Netherlands place the Netherlands at the forefront of integrated national planning in this area. The entire political process related to the plans, and the debates and evaluations that accompany each transition from plan to plan, cast the relationship between (at least) the environment and the economy in an integrated and interdependent light. They also serve to highlight the strategic and operational nature of the implementation task.
- *The Environment Management Act (EMA) of 1993*. A major piece of legislation that has served to bring together and consolidate diverse environmental tasks across a broad spectrum of sectoral concerns.
- *Thematic integration and target group cooperation*. An active and broad-based strategy to both facilitate and ‘prod’ the strategic actors in designated problem areas to ‘structure’ the enactment and mode of implementation of sectoral environmental initiatives (see Bressers, Ch. 10, this volume).<sup>12</sup>

The overall result of these four major characteristics (and numerous other ancillary policies and institutional devices documented by the case studies) is to have established a highly sophisticated understanding of the vertical dimension of environmental policy integration. As an example of ‘VEPI in practice’, the Netherlands has few parallels when it comes to working with sector-based environmental impacts. What appears to be lacking, however, is a serious attempt to address the HEPI dimension, that is, the issue of *determining priorities among the environmental, economic and social welfare trade-offs inherent in the sustainable development programme*.



## CONCLUSIONS

The purpose of the present chapter has been to focus and clarify the issue of environmental policy integration as one of several key mechanisms for adapting governmental practice to sustainable development goals, and to indicate major research tasks related to the integration challenge.

After first stipulating a relevant understanding of sustainable development goals (whereby emphasis is placed on the connection between socio-economic driving forces and environmental/ecological impacts, with a general goal of ‘decoupling’ the latter from the former), the first task was to clarify the nature and importance of the mandate for sectoral integration. This is viewed as a crucial task in this area, since political legitimacy and an active, ongoing commitment to integration goals are vital prerequisites for more effective SD governance.

The second major task has been to clarify and further develop the concept of ‘environmental policy integration’ itself. This was shown to be necessary because of considerable confusion in the academic and practical literature as to just what ‘integration’ in this context consists of. Having drawn out the difficulties in question, the chapter then critically reviews key contributions to the academic discourse on policy integration, aiming towards a more consistent, concise – and hopefully more applicable – understanding of the problem. Designating the goal as one of ‘environmental (ecological) policy integration’ (EPI), the concept is differentiated as to its ‘horizontal’ (HEPI) and ‘vertical’ (VEPI) dimensions. This allows for both independent analyses of functional integration *within* governmentally designated sectors, as well as functional *and* political integration across and among sectors. It also allows for a more nuanced classification of cases with respect to strong and weak performance along both dimensions; as well as an overall ranking of cases with respect to combined HEPI–VEPI ‘scores’.

The chapter then attempts to illustrate the usefulness of the two-dimensional approach by presenting basic ‘checklists’ of specific VEPI and HEPI mechanisms. The checklists reflect a more or less ‘consensual logic’ as to the functional stages of policy implementation, at the same time that each mechanism is related to one or more empirical cases.

Finally, the chapter concludes by illustrating the approach in terms of actual attempts to achieve EPI in three front-running OECD countries: Germany, Canada and the Netherlands. A major conclusion from this analysis is that environmental policy integration has been pursued along three different paths in the three cases. Canada is characterized by ‘The Parliamentary Mode’, with a strong emphasis on monitoring integration within a legal–parliamentary context. Germany is characterized by ‘The Executive Mode’, with new and functionally specific mechanisms for executive coordination horizontally at

the national level, and vertically across the levels of federal governance. The Netherlands is characterized by 'The Administrative Mode', with legislative and administrative innovations in planning and target group implementation.

All three modes have their strong and weak points – and none of them yet have achieved routinized EPI in the sense outlined here. The implication to be stressed, however, is that – taken together – they point towards working mechanisms for improving the functional integration of environmental and ecological concerns into governmental and sectoral policies. The challenge for applied social science in this area is to more systematically evaluate the systems in place; to expand the empirical foundation with additional case studies; and to further develop baseline models for more coordinated vertical and horizontal sectoral integration.

In conclusion, however, we must return to a central theme of the introduction to the present volume: political commitment. The operational effect of EPI models will ultimately depend on political will and intra-governmental consensus as to the principled pre-eminence of the sustainable development goal and agenda. As recently stated by the OECD in its study of 'critical issues for sustainable development':

A strong political commitment is crucial to achieve the policy integration needed to underpin sustainable development. This must come from the highest levels of government, and be embraced by prime minister, as well as ministers of economy/finance, social welfare, and the environment. . . .

Collective responsibility within government for implementation of decisions which support a sustainable development strategy needs to be clearly established, and include explicit procedures and an assessment of training needs. Coherence across government departments and among different levels of government is vital. (OECD 2001b: 120)

As argued here, the 'coherence' implied can only be achieved if the environmental/ecological aspect of sustainable development is designated *prima inter pares* among the environmental, economic and social aspects of the concept. This position is clearly based, however, on an understanding that identifies the environmental aspect with the protection and enhancement of natural life-support systems. It is this aspect that constitutes the 'proviso' on developmental priorities that is the core of the UNCED sustainable development programme (Lafferty and Langhelle 1999, Ch. 1). The urgency of its 'principled priority' – to be applied judiciously through intra-governmental debate and decision-making – is a core premise of both the UNCED programme and the OECD goal of decoupling. Its credentials are clearly controversial, but hardly less so than either priority economic principles under a regime of 'business as usual', or priority social principles under a regime of satisfying 'wants' rather than 'essential needs'.

## NOTES

- \* This chapter builds on, and expands, several previous works: Lafferty (2001, 2002) and Lafferty and Hovden (2001, 2003). The author wishes to thank Eivind Hovden for his valuable collaboration in developing the HEPI-VEPI framework, and all the members of the SUSGOV research team for their numerous comments, both critical and constructive. More so than usual, however, it is important to stress that the formulation presented here is the responsibility of the author alone.
1. As the Brundtland Report recognizes: 'The search for common interests would be less difficult if all development and environment problems had solutions that would leave everyone better off. This is seldom the case, and there are usually winners and losers' (WCED 1987: 48).
  2. The European uproar about petrol prices in September 2000 is a clear example here: European consumers protested at the price of petrol; a price made up significantly of environmental taxes. European consumers pay for environmental protection through higher prices (thereby integrating the environmental costs of emissions into the price of petrol), and it is difficult to see any undiscovered 'mutual benefit', except in the very long term. There is no undiscovered 'good'. Most enlightened citizens will probably accept that the policy has long-term benefits; yet there are clearly burdensome costs in the short term.
  3. One of the clearest formulations of this point in an academic context is the argument by Herman Daly (1992) to the effect that issues of 'scale' must be given priority over issues of both 'allocation' and 'distribution'.
  4. The issue of policy instruments is not addressed in detail here. See, however, the distinction of different instruments and steering mechanisms in the Introductory chapter.
  5. The two lists (vertical and horizontal environmental policy integration) of governance mechanisms presented are built on: (1) general models of policy implementation (see, for example, Hill 1997; Parsons 1995; and Sabatier 1999); (2) more recent publications on governance and integration issues (EEA 2001, Ch. 4; IEEP 2001, Ch. 4; Lafferty and Meadowcroft 2000; OECD 2001a: Ch. 3 and OECD 2001b: Ch. 4; Wilkinson 1998); and (3) detailed assessments and project reports (Fergusson et al. 2001; Hertin et al. 2001; Hey 1996; and Kraemer 2001). Each of the mechanisms listed is based on one or more examples from the referenced case studies.
  6. Two qualifications on the present usage: (1) there are clear advantages in separating the issue of *policy integration* from the issue of *policy responsibility*; and (2) there are several disadvantages in attaching a 'vertical' connotation to what is legally a question of the allocation of powers *among domains*, and operationally a question of coordinating policy responsibility *across domains*. The more common 'vertical' analogy employed in the discourse on EU governance serves, in this view, to reinforce a questionable, and probably unnecessary, image of 'top-down steering'.
  7. COMPSUS is an acronym for 'The Comparative Analysis of the Implementation of Sustainable Development in High Consumption Societies'. The countries studied were Sweden, Norway, the United Kingdom, Germany, the Netherlands, Canada, the United States of America, Australia and Japan. There was also a separate chapter on the European Union. On the question of sectoral integration, the reader is referred particularly to Lafferty and Meadowcroft (2000): Ch. 12, Tables 12.4 and 12.5, and Ch. 13, pp. 427-37.
  8. In addition to the OECD case study (Bouder 2001), the reader should consult the chapter on Canada by Glen Toner in Lafferty and Meadowcroft (2000).
  9. Reactions from Canadian colleagues to the profile presented here indicate greater scepticism as to just how impressive (effective, laudatory) the Canadian system of SD governance is. They point to two recent evaluations of many of the same issues by independent analysts. One (prepared by the Pembina Institute for Appropriate Development) focuses on 'Governance tools for sustainable development within the Government of Canada' (Winfield et al. 2002); and the other (prepared by Stratos Inc. for the governmental 'Policy Research Initiative') looks more broadly at 'Governance models for sustainable development' (Stratos 2002). Having received these reports immediately before going to press, the author can only comment on them very briefly.

Both reports address the same type of issues taken up by the OECD case study of Canada. The report from the Pembina Institute makes, however, no mention of the OECD study, and the report from Stratos – while making several references to the study – does not present any conflicting interpretations. Both of the Canadian reports are, on balance, critical of the federal government's record on governance for sustainable development. They indicate (*very* summarily for the author's part) that, while some things may look good on paper, they are *not* being carried out in practice. The author's only comments on the reports would be: (1) that they reflect a general tendency for domestic evaluators to be more critical of their own governmental efforts than comparative assessment often warrants; (2) that a great deal of what is portrayed as negative in the reports actually derives from material produced by the Commissioner for Environment and Sustainable Development (who is thus clearly doing her job); and (3) that the establishment of relatively innovative procedures and institutions for SD governance is of comparative interest in its own right; at least as a necessary step in the right direction. Had other countries, for example, established bodies similar to the CESD – with better records of governmental monitoring – the critique would have a broader cutting-edge. As it stands there are, to the author's knowledge, no similar bodies in place. Symbolic politics and self-serving political rhetoric must, of course, be confronted. But governments must learn to 'walk' towards sustainable development before they can 'run' – and Canada would appear to be in solid ambulatory mode.

10. There are, however, 'advisory councils' that directly address the issue, such as the Commission on Sustainable Development under the Dutch Social Economic Council.
11. Having said this it must be pointed out that the official Dutch usage of the concept of sustainable development remains somewhat vague. In the NEPP4, for example, there are numerous mentions of the adjective 'sustainable', and frequent references to 'sustainability', but only a very few usages of 'sustainable development'. Furthermore the principal connotation of the term when used is for the integration of environmental, economic and social concerns, usually with a reference to the North–South dimension and the elimination of poverty in this context. The text of NEPP4 can be downloaded from the website of the Dutch Ministry of Housing, Spatial Planning and the Environment (<http://www2.vrom.nl/Docs/internationaal/NMP4wwwengels.pdf>). The National 'Programme of Action on Sustainable Development' (with both international and national segments) has been approved by the cabinet, but was not available in English at the time of publication.
12. Bressers and his colleagues have survey data that clearly indicate that a large majority of respondents who are designated as 'most neutral outsiders' to the follow-up negotiations to voluntary agreements (covenants) clearly perceive the process as integrative. See de Bruijn et al. (2003: 38). The same data also indicate however that the vertical integration process related to the target group approach is far from optimal. To which (again) it can only be observed that the point of identifying governing mechanisms for EPI is that they are in place; that their goal vis à vis sectoral integration is recognized; and that they are having *some* effect on integration. Whether or not that effect is (in this case) 'optimal' for VEPI is a much more demanding (and probably unrealistic) expectation.

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## 8. Partners for progress?: the role of business in transcending business as usual

**Audun Ruud**

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Initiated by the World Commission on Environment and Development (WCED 1987), and enforced by the United Nations Conference on Environment and Development held in Rio in 1992, environmentally innovative firms started to question whether environmental efforts could be better capitalized in commercial terms. Through enhanced productivity and competitiveness many firms converted environmental achievements into commercial values and corporate profits (Schmidheiny 1992; Willums and Golüke 1992). Some of these firms have undergone a profound reorientation in their expressed attitudes towards environmental management and the integration of environmental concerns into traditional commercial practice (Roome 1998; Kolk 2000). The interpretation of their role in governance for sustainable development remains, however, open. Corporate efforts are often within the realm of ‘business as usual’ strategies, primarily concerned with the reduction of environmental hazards at processing plants or specific products. A concern for *total* environmental loads generated during the production and consumption of products is rarely addressed. In general, principles of justice, precaution and inclusiveness – as generic to the concept of sustainable development (Lafferty and Meadowcroft 2000) – are still not on the corporate agenda. In many cases this also holds true for those front-running firms that have made a pro-forma commitment to environmental values. The present chapter dwells on selected recent corporate environmental initiatives, analysing how these efforts, nonetheless, may make a significant contribution to the *ecological* governance for sustainable development.<sup>1</sup>

According to the World Business Council for Sustainable Development (WBCSD), the concept of eco-efficiency is the most appropriate means to achieve sustainable development (WBCSD 2000, 2002a). The president of WBCSD defines the concept as follows: ‘Eco-efficiency is reached by the delivery of competitively priced goods and services that satisfy human needs and bring quality of life while progressively reducing the ecological impact

and resource intensity throughout the life cycle to a level at least in line with the Earth's carrying capacity'.<sup>2</sup>

Efforts of integrating environmental concerns into traditional business development surely would make a difference. But to promote sustainable development in terms of justice, precaution and long-term ecological balance, a specification of the functional characteristics of the eco-efficiency measures promoted by the business community is necessary. Such a specification will be made here with reference to the concept of 'eco-effectiveness' in direct contrast to the concept of 'eco-efficiency' referred to by the WBCSD. Eco-effectiveness is here understood as the cumulated total environmental impacts generated by individual firms aiming to promote eco-efficiency. Consequently, eco-effectiveness refers to the functional absolute impacts of relative eco-efficiency gains, reflecting the total sum of corporate environmental and economic efforts, and taking into account ecological thresholds and the carrying capacity of the Earth. A major premise of the argument is that eco-efficient efforts may be *necessary*, but are not always *sufficient* to achieve sustainable development. This will only be accomplished when sustainable production and consumption are strengthened simultaneously within the same product value chain.

Expressing a similar position, the OECD argues that sustainable development will not be achieved unless environmental pressures are 'decoupled' from the current dynamics of economic growth (OECD 2001a). Decoupling signifies that necessary environmental protective measures are pursued regardless of economic growth patterns and business cycles. The OECD makes such a strong argument because decoupling may be a necessary measure to realize overall ecological objectives in accordance with the aim of promoting sustainable development. The OECD reference to decoupling is, therefore, used here to illustrate (and 'anchor') the distinction made between eco-efficient and eco-effective efforts made by the business community.

To discuss more specifically the role of business in governance for sustainable development, the analysis focuses on greenhouse gas (GHG) emissions. This is in line with conventional wisdom that broadly portrays these emissions as constituting *the* major environmental challenge.<sup>3</sup> The most recent scientific evidence suggests that most of the global warming observed over the past half-century is attributable to human activities (IPCC 2001). Consequently, human interference with the climate system through emissions of carbon dioxide (CO<sub>2</sub>) is one area where the need for decoupling environmental pressures from economic growth is particularly important – and *relatively* non-contested. Another factor influencing the focus is the fact that greenhouse gas emissions in general and CO<sub>2</sub> emissions in particular are growing. Finally, there is the crucial factor that the industrial sector used as an example here – the aluminium industry – has itself recognized the GHG challenge, and has taken significant steps to ameliorate the problem.



Referring to the functional characteristics of eco-efficiency measures, the growth in GHG emissions indicates a worsening of eco-effectiveness. Consequently, current efforts to decouple environmental pressures from the dynamics of economic growth seem to be weak (OECD 2001a). This is also confirmed by the OECD in its recent environmental performance review of Norway (OECD 2001b). It is in this context – with explicit reference to corporate environmental efforts by primary aluminium producers in Norway – that the chapter raises the question as to whether and how business and industry can be a ‘partner for progress’ through transcending ‘business as usual’ into a strengthened environmental governance for sustainable development?

## TWO SCENARIOS OF ‘BUSINESS AS USUAL’

As an introduction to a discussion on future sustainability strategies for industry, Nigel Roome (1998) presents two alternative scenarios. The first scenario anticipates an era of unbridled capitalism during the next 10–20 years. Due to the growth pursued by transnational corporations and large domestic firms, national governments are envisioned as having further reduced their control over economic enterprises. Corporate development through global economic expansion dominates the international economic order, as well as the internal agenda of major firms. In accordance with this scenario, the legitimacy for corporate actions stems from the role of industry in society as a generator of wealth and provider of jobs through competition and efficiency. The pressure on business to assume a position of global leadership in economic, social and environmental domains is strongly influenced by the global competitive economic order. Consequently, corporate commercial success will derive from the capacity to develop superiority through technological innovations; to create the strategic alliances that drive competitiveness in international markets; and to promote brands and provide products to as many people as possible on a global basis.

The alternative scenario also refers to the inevitable move toward global economic exchange. But Roome (1998) here suggests that this will be increasingly accompanied by countervailing social trends. These trends will be expressed in and through distinctive and particular social, cultural and environmental identities. There is still a significant redistribution of power from nation-states to global economic actors, but the rise of non-governmental organizations and other forces in local civil society pulls the identity of many individuals more deeply into their local communities. This is enforced and strengthened through various transnational civil networking activities, which are increasingly beyond the control of national governments or large corporations.

With the transition of responsibility for social values from government to other groups in civil society, traditional power relationships are also transformed. Consequently, those corporate managers responsible for the governance of industries and the maintenance of corporate legitimacy can no longer appeal to home or host governments. Rather, as stated by Roome (1998: 13–14): ‘successful managers increasingly have to contend with a broader range of social values, represented by a more amorphous set of actors in society and expressed at many different scales of organizations. This will provoke a far more complex mosaic of domestic markets and cultural and environmental patterns that industry must cope with’. Beyond regional regulatory efforts like the EU, corporations are increasingly left to themselves in developing business strategies that are compatible with current as well as future needs.

In general, proactive firms will consider various investment alternatives related to on-site clean-up or to more environmentally benign (less dangerous) plants or products. This is very much in line with Roome’s first scenario: an extension of the thinking and practices of today’s leading industrial exponents. However, the climate challenge of sustainable development also concerns the transformation of technology, institutional structures and responsibilities and relationships with marginalized groups and future generations. Principles of ecological balance, justice, precaution and inclusiveness have to be taken into account. The question becomes, therefore, the extent to which progress vis à vis sustainable development can be made through relatively limited applications of environmental concerns to ‘business as usual’ on a global scale.

The alternative scenario proposed by Roome involves a far greater departure from current organizational thinking and practice. Firms concerned with the promotion of sustainable development must address extended time horizons as well as the scale and level of their external relationships. To assume a positive role in the attainment of a more sustainable society, Roome (1998) suggests that a firm must be prepared to address changes that go to the core of current and future corporate activities. Current commercial strategies must be reconsidered, raising thereby the key question as to ‘What *is* business as usual?’

Roome has further elaborated on his position in a policy report on challenges and objectives for EU research policy on sustainable production; a report acknowledged and explicitly supported by a number of large European firms (Roome and Cahill 2001). Three issues frame the recommendations:

- The European system of production is not sustainable and has not begun to address in a substantive way how competitiveness can be achieved within the framework of sustainability.

- Current trends in the modernization of production have the potential to improve competitiveness and to reduce environmental impacts but are unlikely to bring production and the use of products within the framework of sustainability.
- Present EU policies and actions to support research, technology development and innovation might improve environmental performance, but current policies will not foster the transformations in production that are required to achieve competitiveness within the framework of sustainability.

Industrial transformations are, in other words, clearly needed. But if sustainable development is to be effectively promoted, Roome and Cahill (2001) argue that business – on its own – must promote innovations and changes that transform the current context within which consumption and production patterns are developing. This reasoning is clearly in line with the OECD's argument for a more active decoupling of environmental pressures from current dynamics of economic growth; as well as the emphasis by the WBCSD on eco-efficiency as the most appropriate means to achieve sustainable development. Both arguments seem to assume, however, that eco-efficiency is both necessary *and* sufficient to the task. This can be shown, however, to be a very questionable assumption.

## ACHIEVING ECO-EFFICIENCY: ALWAYS A 'WIN-WIN' SOLUTION?

In 1991, when the WBCSD first used the term eco-efficiency, it was hard to foresee how important the concept would become. Over time, however, it is clear that the concept has moved into the mainstream thinking of many corporate boardrooms. Corporate efforts to promote sustainable development have thus become increasingly related to, and justified by, the idea of eco-efficiency, and comparable measurements are being provided by a growing number of firms. Regardless of interpretation (and there are admittedly many), the corporate understanding of eco-efficiency has to do with the relative relationship between economic values and the environmental impacts caused by the commercial activities creating those values. This is a direct follow-up to admonitions from the World Commission on Environment and Development to promote environmentally sound and resource-efficient industrial practices (WCED 1987: 222). The WCED did not, however, refer explicitly to eco-efficiency. This was proposed by the business community itself, through both the predecessors to, and current leadership of, the WBCSD.<sup>4</sup>

The idea that preventing pollution and avoiding waste can pay off financially

is not a new one. In the wake of the Stockholm Conference of 1972, the US-based 3M corporation (Minnesota Manufacturing and Mining) initiated its well-known 'Pollution Prevention Pays' (3P) programme, which subsequently generated significant environmental and financial gain that proved to be mutually supportive.<sup>5</sup> Ten years later Dow Chemicals followed up with its 'Waste Reduction Always Pays' (WRAP) programme, further triggering corporate interest in connection with a concern for relating financial bottom-lines to environmental initiatives.<sup>6</sup> It was not, however, until the launching of the book *Changing Course* by Stephan Schmidheiny in 1992 that the concept of eco-efficiency became more widely known among leading corporate executives.

As of 1992, however, the goal of strengthening the eco-efficiency of corporate activities remained a relatively general prospect with few references to practical action. This is illustrated by the efforts of the British conglomerate ICC (Willums and Golüke 1992). Despite a clear intent by the ICC to bring the goals of the WBCSD into practice, the 'Business Charter' launched by ICC in 1992 made no references to eco-efficiency. Sixteen principles for stimulating what the authors of the Charter referred to as 'environmental stewardship' were proposed.<sup>7</sup> Among the keywords here are references to an 'eco-balance sheet', 'eco-audit', an 'eco-checking system', 'eco-funds', 'eco-shares', 'eco-trends' and 'ecological impacts'. There are not, however, explicit references to the prospect of connecting financial value-added activities to environmental impacts.<sup>8</sup>

Five years later, however, the WBCSD presented an overview of 'eco-efficient achievements' that business had made so far (De Simone and Popoff 1997). In the meantime the corporate focus had been extended from the operational aspects of eco-efficiency towards eco-innovation and eco-design for the environment (Fussler and James 1996). The implication of this extended approach was a growing understanding among firms that the main effects on the environment occur beyond the factory gates – either upstream in the raw material generation and supply processing phases, or downstream in the product use and disposal phases. The expressed reorientation of the WBCSD and business in general reflected the general tendency by the late 1990s to replace process-specific, and often very technical ecological debates, with more systemic and even cyclical perspectives compatible with the academic discourse on 'industrial ecology' (Allenby 1999).

Inspired by the business belief that only that which can be measured can be implemented and enforced, the concept of eco-efficiency increasingly became related to various forms of quantitative measurements (Verfaille and Bidwell 2000). By documenting the relationship between environmental pressures and economic growth, firms would be better prepared to disclose information regarding their *relative* contribution to sustainable development (WBCSD 2000).

With reference to the concept of ‘eco-effectiveness’, however, the need for decoupling (OECD 2001a) and the argument that business must, on its own, promote innovations and changes that alter the current context within which consumption and production patterns (Roome 1998), it is important to underline the difference between *relative* and *total* (aggregate) impacts. This is necessary since it is relatively common to neglect the overall GHG emissions generated by the actual *consumption* of environmentally sensitized products. Consequently, the functional eco-effectiveness of the corporate measures may be neglected insofar as the firm remains focussed on relative and often very technical individual achievements.

With the goal of improving overall eco-efficiency, the WBCSD has, in close collaboration with the Wuppertal institute (von Weizsäcker et al. 1998), identified seven issue areas that business can work with to improve their overall performance in this area:

- reduce material intensity;
- reduce energy intensity;
- reduce dispersion of toxic substances;
- enhance recyclability;
- maximize use of renewable resources;
- extend product durability;
- increase in service intensity.

These seven action areas can all be related to three general objectives: (1) reductions in the impacts on nature; (2) reductions in the consumption of natural resources; and (3) increasing product and service value. The reduction in the impact on nature may refer to a minimization of air emissions, water discharges or waste disposal. Further, it can be related to the dispersion of toxic substances as well as the stimulation of more sustainable use of renewable resources. The reduction in the consumption of resources can also be related to a variety of the issue areas that may improve corporate eco-efficiency. These include a reduction in the use of energy, materials, water and land. Further efforts of strengthening eco-efficiency include an enhancement of the products’ durability and recyclability, facilitating a closing of material loops. Improvements can also be made by providing more benefits to customers through product functionality, flexibility and modularity, or by providing additional services such as follow-up maintenance, upgrading and replacement as part of a leasing agreement.<sup>9</sup>

Beyond the specific technical concerns for the consumption of resources, external impacts and value-added activities, many companies have introduced environmental management systems (EMS). These corporate efforts do not, however, address the issue of overall eco-efficiency. An expansion of EMS

can clearly be related to attempts to transcend current corporate activities in the direction of a clearer environmental profile. As exemplified by fluoride emission control at primary aluminium smelters, there are many examples of win-win situations. Environmental protective efforts in this area have generated positive economic results through cost savings on fluoride use due to increased recycling and reuse (Ruud 2002a). The point being made here, however, is that the actual effects of such efforts on sustainable development can still be open to question. With explicit reference to the theme of this book, it is crucial whether a strengthening of EMS and specific eco-efficient measures in fact result in a decoupling of environmental pressures from economic growth.

## THE NEED FOR DECOUPLING IN THE TRANSCENDENCE OF BUSINESS AS USUAL

There are in general two types of 'natural capital'. It can firstly take the form of natural resources that are consumed in numerous economic processes, and that can either be renewable such as wood or fish, or non-renewable such as fossil fuels. Secondly, there is natural capital in the form of eco-systems and their contribution to life-maintaining processes. Although the value of eco-systems like the atmospheric climate is considerable, the monetary value is much less easily assessed compared with, for example, the value of wood or fossil fuels. What is important, however, is to focus on the link between the industrial and the ecological system. The notion of 'industrial metabolism' has been proposed in this connection (Ayres 1995). The idea conceives of industry and business as a living organism: on the one hand consuming energy and materials and creating desired output in the form of products and services, while on the other producing undesired outputs in the form of waste emissions. This reflects the reasoning of the WCED when the Commission succinctly stated that: 'It [industry] has the power to enhance or degrade the environment' (WCED 1987: 206).

The practical implications of this perspective are, however, often related to end-of-pipe solutions, without really questioning total environmental impacts. In accordance with the reasoning of industrial metabolism, firms are only sustainable in ecological terms if natural resources are consumed at a rate that is below the natural reproduction, or at a rate below the development of substitutes. Further, to remain ecologically sustainable, a firm must not cause emissions that accumulate in the environment at a rate beyond the absorptive or assimilative capacity of the natural system, or that degrade eco-system services (Dyllick and Hockerts 2002).

Corporate approaches to ecological problems have extended the focus from

single processes and end-of-pipe solutions to the whole value chain of the life-cycle of the products produced by particular firms. Consequently, a broader approach to solving environmental problems has been taken by an increasing number of committed corporate actors. The increased focus on eco-efficiency can be understood within this framework. Solutions can be found through more efficient ways of pursuing business as usual. Typical results would be increased energy or resource efficiency per value-added unit. Results are often impressive in terms of relative improvements. As argued by Moors (2000: 5), however: 'environmental problems . . . should never be regarded as being isolated from the broader sustainable development issues'. Incremental technological changes often lead to optimization of the conventional processes creating merely marginal improvements in environmental performance. Consequently, much greater results will be necessary to achieve absolute reductions in materials and energy consumption over the next 50 years (Moors 2000: 9).

The 'Sustainable Mobility Project' initiated by WBCSD acknowledges that the direction of the development in humanly caused CO<sub>2</sub> emissions from the transportation sector is negative. As forthrightly stated: 'the world's present mobility trajectory is unsustainable' (WBCSD 2002b).<sup>10</sup> Radical efforts must be initiated, principally in the direction of redesigning vehicles. The implications of the goal are, however, less clear. Less weight would mean more efficient cars, thereby reducing the cost of driving. As a consequence, the number of vehicles would most probably increase, and the net total result will be a growth in CO<sub>2</sub> emissions rather than the expected reduction. Such a dilemma is often referred to as a 'rebound effect', indicating that environmental challenges call for integrated technological, economic and cultural solutions at the global level (Moors 2000): solutions that tolerate more comprehensive and holistic scrutiny as to their *overall* impact. In order to avoid such rebound effects, the focus would have to be extended from eco-efficient solutions for individual vehicles to eco-effective solutions for total mobility. The corporate focus would thereby have to be extended from relative gains to absolute ecological impacts.

A similar logic can be illustrated by more traditional economic reasoning.<sup>11</sup> A firm will normally achieve significant economic gains from strengthening the distribution system by increasing the number of products that agents can sell within a given period of time. But if the firm has a negative contribution margin on the production cost-per-product compared to current market prices, a strengthened distribution will only lead to insolvency. This will be the final outcome as the more products the firm sells, the higher its losses will be. Many firms with an insufficient accounting system have fallen victim to this type of efficiency trap (Dyllick and Hockerts 2002).

The general lesson to be stressed is that the efficiency approach does not

adequately address the relevance and quality of the activity in relation to the needs and requirements for promoting sustainable development. Having documented specific instances whereby eco-effectiveness emerges as a 'necessary' solution above and beyond the 'sufficient' solutions of eco-efficiency, this chapter takes a closer look at what particular firms can do to enhance their role in governance for sustainable development.

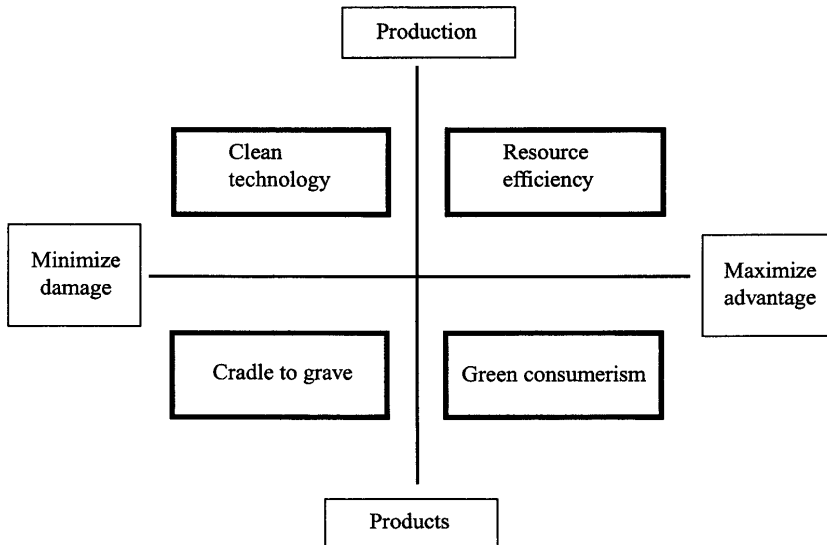
## FOUR CORPORATE ENVIRONMENTAL STRATEGIES

As pointed out by Roome (1992), it is important to extend the analysis of corporate strategic management beyond narrow approaches that only focus on internal or external factors. Such an approach would combine studies of a variety of external environmental pressures with internal factors such as the ability of corporate managers to bring about organizational change in order to incorporate environmental issues. In this spirit the present analysis aims to incorporate four different corporate environmental strategies. Some of the orientations chosen are related to internal processing priorities; while others are more externally directed toward market conditions. Some are geared towards minimizing damage; while others are more concerned with maximizing advantage. In an attempt to systematize the different approaches, four alternative corporate strategies can be identified: 'clean technology', 'resource efficiency', 'cradle to grave', and 'green consumerism' (Figure 8.1):

An environmental strategy that emphasizes 'clean technology' is production-oriented, aiming primarily to minimize environmental damage. Consequently, the corporate focus will be on an internal house-keeping of current processing activities. There are numerous possible initiatives for improving eco-efficiency in this mode (von Weizsäcker et al. 1998).<sup>12</sup> A dominant approach would be to address the dispersion of toxic substances; but one can also mention efforts to reduce material intensity. A combination of both is achieved if less pollution and environmental degradation are generated during the production process due to reduced raw material consumption. The approach can also be related to efforts to reduce energy intensity.

Such reductions can also be related to a 'resource-efficiency' strategy. With this approach the focus shifts from minimizing environmental damage to maximizing commercial advantages. Rather than promoting a narrower risk minimization strategy, the firm here expands the perspective from manufacturing as such towards a search for enhanced utilities related to current manufacturing priorities. This can, for example, be directed towards the recycling of raw materials. One example is the case of fluoride reduction in primary aluminium production, which is treated more fully below (Ruud 2002a).





Source: Ruud 2002b.

Figure 8.1 Four corporate environmental strategies

Recycling in a context of enhanced eco-efficiency is, however, also directly related to the 'cradle to grave' strategy. Recycled raw materials can maximize manufacturing advantage, but can be equally important with respect to an extended focus on the subsequent consumption, use and disposal of products. Such a product orientation is particularly appropriate for firms not directly involved in processing activities. A cradle to grave strategy involving the recycling of products that alternatively go to waste, can make a significant environmental difference.

With a strategy of 'green consumerism' firms can aim at maximizing the use of renewable natural resources, thereby taking into account the total volume of natural-capital usage and impacts. Alternatively, the green consumerism strategy can be related to corporate efforts to extend the durability of the products sold. The ultimate eco-efficiency consequences of increased service intensity can also be related to green consumerism, given that less polluting services are replacing polluting products. Such an approach would extend the focus from an 'eco-design' of products to an eco-efficiency concern for the entire product network or 'value chain'.<sup>13</sup>

Applying this framework, the four strategies outlined in Figure 8.1 can be related to a broad number of issue areas through which business can attempt

to improve eco-efficiency (von Weizsäcker et al. 1998). The framework can also be used, however, to highlight the implications of piecemeal and fragmented approaches. Focussing explicitly on a manufacturing sector such as primary aluminium production, questions can be raised as to whether and how such strategies actually address the broader agenda of ecological governance for sustainable development. Are the eco-efficiency initiatives in question designed, for example, to take into account and reduce rebound effects? Do they promote a decoupling to such an extent that sectoral businesses actually stand forth as progressive partners for sustainable development?

To address these issues the approach to eco-efficiency needs to be broadened to include questions of governance for overall eco-effectiveness: the type of questions first raised by the WCED, and subsequently elaborated by the OECD, WBCSD and other UN bodies working on the follow-up to the Rio Earth Summit. By way of illustration, the issues involved can be highlighted by an analysis of the strategy chosen in 1997 to reduce GHG emissions in the Norwegian aluminium industry through a voluntary agreement.

## VOLUNTARY AGREEMENTS AND SUSTAINABLE DEVELOPMENT: DO THEY MAKE A DIFFERENCE?

In accordance with the Climate Convention of 1992 and the Kyoto Protocol of 1997, nearly all OECD countries have committed themselves to significant reductions in GHG emissions. It is nonetheless broadly contentious as to whether sufficient reductions in greenhouse gas emissions will be achieved through the market-based Kyoto mechanism alone; or whether more direct political regulatory efforts are needed to change current goals and assumptions that drive corporate actions. With explicit reference to the strategic options outlined in Figure 8.1, how can we best govern – steer, direct, guide – an industrial transformation towards sustainable development in this topic area?

To promote a ‘greening of industry’ there is a growing belief in market-oriented solutions beyond traditional political–administrative measures. The use of administrative measures is also being increasingly complemented by cooperative agreements and corporate self-regulation (see the chapters by Jörgens and Bressers, this volume). Such efforts are explicitly recognized in Chapter 30 of *Agenda 21* (‘Strengthening the role of business and industry’): ‘... leaders in business and industry, including transnational corporations, are increasingly taking voluntary initiatives, promoting and implementing self-regulations and greater responsibilities in ensuring their activities have minimal impacts on human health and the environment’ (UN 1993: 237).

Andrews (1994) and Glasbergen (1998) further document that public regulatory agencies in all OECD countries increasingly establish voluntary and

cooperative agreements between firms and regulatory authorities. As a consequence, flexibility is being promoted through new forms of policy options. With respect to governance for sustainable development, however, it is important to keep in mind that these complementary initiatives are also challenging traditional authorities and power relationships. It is an increasingly obvious fact that large firms have the necessary resources to both develop solutions and to position themselves in direct dialogue with public policy-makers.

In 1989 the Norwegian Parliament established a national goal for the stabilization of CO<sub>2</sub> emissions at the 1989 level by the year 2000. Towards this end a CO<sub>2</sub> tax on petrol and mineral oil was introduced in the budget for 1991, and in October 1991 the tax was extended by the Brundtland government to operations on the continental shelf. History has, however, here revealed a striking discrepancy between the rhetoric and the reality of policy implementation (Reitan 1998; Langhelle 2000; Hovden and Lindseth 2002). Several industrial sectors have been exempted from the tax, and, according to Marit Reitan (1998), specific policies have not been implemented because politicians have been more concerned with issues of employment and the competitiveness of industry. The aluminium industry has also argued more directly that, for those firms using carbon as a reduction material in the production process, it did not make sense to impose a universal carbon tax on emissions – at least not as long as no feasible alternative technologies were available.<sup>14</sup>

The Kyoto mechanism presupposes an international approach.<sup>15</sup> Simultaneously the aluminium industry has argued, in accordance with perspectives taken from industrial ecology and the ‘cradle to grave’ strategy referred to above, that the ecological focus should be extended beyond national emission volumes to systemic effects along the life-cycle of aluminium. For many stakeholders – particularly environmental NGOs – this emerges as a highly controversial argument, given that Norway has, through its adherence to the Climate Convention and Kyoto Protocol, committed itself to specific targets and significant domestic reductions in the level of GHG emissions. What is of interest here, however, is that the same industrial sector that is arguing for an extended transnational life-cycle approach, has, to a significant degree, managed to reduce the sector’s GHG emissions.

On 9 July 1997, a voluntary agreement on the reduction of greenhouse gas emissions was signed between the Ministry of Environment and the seven primary aluminium smelters in Norway.<sup>16</sup> While referring to national commitments towards the Kyoto Protocol, the agreement underlines the opportunities individual supporting states have when implementing obligations for regarding the emissions of all greenhouse gases together. The European Union, on the other hand, had originally argued that the Kyoto Protocol should focus explicitly on CO<sub>2</sub> emissions. As the major greenhouse

gas, this is still a priority of the European Union, as reflected in the proposed emission trading scheme.<sup>17</sup> A similar focus on only CO<sub>2</sub> emissions was also the initial political focus of the Norwegian government concerning the climate convention and the initial Kyoto Protocol negotiations. (Hovden and Lindseth 2002). However, convinced by the arguments provided by the aluminium industry, Norway and other primary aluminium-producing countries such as the USA, insisted that a more comprehensive approach to greenhouse gases must be taken, and the other parties to the Kyoto Protocol ultimately agreed to such an extended approach.

The comprehensive approach included in the Kyoto Protocol created new national opportunities for primary aluminium producers. Greenhouse gases consist of a variety of pollutants with a variety of long-term impacts on climate change. This is referred to as 'different global warming potentials'.<sup>18</sup> There are a total of six different greenhouse gases, with significant differences among them in terms of global warming potential. One of these gases, perfluorocarbons (PFCs), is generated during primary aluminium production, where it is an integral part of the production process. While PFCs constituted only 2 per cent of total annual GHG emissions in Norway (in 1999), CO<sub>2</sub> constituted 75 per cent. The relative global warming potential of PFC emissions is, however, significantly higher.<sup>19</sup> The Norwegian aluminium industry is thus responsible for a major share of the total GHG emissions. However, due to the enhanced opportunities created by the comprehensive approach to GHGs, substantial national reductions could be achieved in terms of CO<sub>2</sub> equivalents. This can be illustrated as shown in Table 8.1.

In 1990, total CO<sub>2</sub> emissions were 1.6 million tonnes compared to total PFC emissions of 459 tonnes. By 1999, CO<sub>2</sub> emission had grown to 1.8 million tonnes, while PFC emissions had been reduced to 170 tonnes. Given the standardized differences in terms of CO<sub>2</sub> equivalencies, this indicates a

*Table 8.1 Emissions generated at primary aluminium plants*

	1990	1999
CO <sub>2</sub> emissions (million tonnes)	1.6	1.8
PFC emissions (tonnes)	459	170
CO <sub>2</sub> equivalent PFC emissions (million tonnes)	3.0	1.1
Total CO <sub>2</sub> equivalent greenhouse gas emissions (million tonnes)	4.6	2.9

*Source:* State Pollution Control Board.

significant reduction in the overall PFC effect. The volume of 459 tonnes of PFC gases emitted in 1990 equals 3 million tonnes of CO<sub>2</sub>. In 1999 PFC emissions had been reduced to 170 tonnes, roughly equivalent to 1.1 million tonnes of CO<sub>2</sub>. Thus, despite a growth in CO<sub>2</sub> emissions of 12.5 per cent, the industry reduced total GHG emissions by 1.7 million tonnes during this period. Despite national efforts to curb GHG emissions through the implementation of carbon taxes, and the exemptions granted to aluminium producers, this achievement is significantly better than any other sector in Norway (Ruud 2002a). The overall effect would thus seem to be a major achievement in eco-efficiency. But once again, overall eco-effectiveness must be looked at. Is the achievement equally significant with respect to the overall issue of decoupling? And what does the case tell us about 'governance for sustainable development', as opposed to a 'greening of industry'? Further insights into the issue can be gained by a more specific focus on the major primary aluminium producer in Norway, Norsk Hydro ASA.

## NORSK HYDRO: AT THE CUTTING-EDGE OF BUSINESS FOR SUSTAINABLE DEVELOPMENT?

With the acquisition of VAW Aluminium AG in March 2002, Norsk Hydro counts itself among the three major global aluminium companies. Hydro sells close to 3 million tonnes of aluminium annually, and is continuously enhancing its position in the manufacture and supply of cast, rolled and extruded products, largely to the packaging, automotive and building industries. Recently, a separate Internet homepage was launched to provide information in the wake of the merger with VAW Aluminium. Here one reads that there are: 'Three good reasons to choose Hydro Aluminium: (1) We're sustainable, (2) We're innovative, and (3) We enjoy what we do.'<sup>20</sup> By all indications the company is actively promoting itself as a partner of progress for sustainable development.

And such a promotion is clearly in line with academic opinion. In their recent overview of business initiatives in this area, *Walking the Talk*, Holliday, Schmidheiny and Watts (2002) profile Norsk Hydro as a key business case for sustainable development. In their view Norsk Hydro's environmental profile has evolved through four phases:

1. repairing and cleaning up local pollution: the 'sins of the past';
2. a preventive phase through the development of cleaner technologies;
3. business development through life-cycle approaches;
4. globalization, in which Norsk Hydro addresses major issues like climate change.

Norsk Hydro operates in environmentally sensitive and technically complex fields such as agro-chemicals, oil and gas and aluminium, and was an early target for the green movement as well as pollution control authorities in Norway. This is strongly reflected in the initial 'repair' phase: '... when media, NGOs and authorities highlighted some of the environmental issues, it became clear that [Hydro's] top management would have to become more involved' (Holliday et al. 2002: 32).

A change of environmental strategy was necessary. According to the case study, this second phase made environmental work a key part of operations, and it was integrated throughout the organization. Pockets of excellence were emerging, but organization-wide performance improvements were not strong enough. Initiatives remained fragmented. In the third phase, however, the focus was extended to applying experience and expertise to the life-cycle aspects of products. As stated by the authors: 'The environmental case, in the broadest sense, was being transformed into an important strategic business issue ... This extended across traditional organizational barriers and traditional scientific disciplines to enhanced conceptual and technological innovation' (Holliday et al. 2002: 33).

The fourth phase of globalization broadened the focus of Norsk Hydro into what the authors refer to as the 'three pillars of sustainable development': economic, environmental and social responsibility. The authors refer to a statement given by the current Chairman of the Board of Norsk Hydro, Egil Myklebust – who has also served as the president of WBCSD: 'We have shifted our focus from tackling individual issues to the systematic integration of sustainable conduct into our business operations and our management system' (Holliday et al. 2002: 33).

The developments at Norsk Hydro can be related to the four environmental strategies outlined in Figure 8.1. The four strategies indicate four areas that provide opportunities for eco-efficient improvements, and these can be directly related to an increasing use of aluminium.

First, aluminium producers can develop clean technologies through the re-engineering of their processes to reduce the consumption of resources, reduce pollution and avoid risk. This was clearly in evidence during the 'repair' and later 'preventive' phases of Norsk Hydro's environmental work.

Second, cradle to grave strategies can be promoted through cooperation with other companies beyond the aluminium industry. This is reflected in the third phase of business development through life-cycle approaches. Businesses have found creative ways to re-valorize their by-products. Waste generated from production processes can also have value for companies. Together with Norsk Hydro, Elkem is the second major aluminium producer in Norway. But it is also a major producer of silicon metal.<sup>21</sup> Silica remains a by-product, and for many years represented a major hazardous waste problem

that was increasingly proscribed by, and expensive special treatment was required by the pollution control authorities. However, by the end of the 1980s, a new type of platform was planned for use in the North Sea exploitation of oil and gas. This platform was called 'Condeep' and it was constructed of concrete. The technology is currently in use at the major gas production field in the North Sea, the Troll Field. The construction company Norwegian Contractors found that the silica waste generated at Elkem's plants could be used to strengthen the durability of the concrete used for the Condeep platform. Thus, rather than trying to introduce and manage expensive end-of-pipe waste treatment equipment, Elkem started to sell the 'waste' as a commercial product (Ruud 1992).

Third, green consumerism can be stimulated through redesign of products. Through research and development automakers are seeking materials solutions that enable lighter versions of automobiles with reduced maintenance. This is a central focus of the Sustainable Mobility Project of the WBCSD. According to Norsk Hydro cars produced in 1998 used, on average, about 85 kilograms of aluminium. By 2015, spurred by new applications and increased knowledge of aluminium's properties, the automotive industry predicts that automobiles will consist of more than 200 kilograms of aluminium per vehicle.<sup>22</sup> Fabricated aluminium is thereby not only providing a reduction in material intensity, but the energy intensity associated with the use of automobiles is also reduced as a result of reduced fuel consumption related to less weight per vehicle. The use of the lighter metal will also extend the product durability, since fabricated aluminium does not corrode. Consequently, significant eco-efficient improvements may be achieved, providing thereby a necessary start in the promotion of sustainable development.

Finally, a fourth way of promoting eco-efficiency is related to the strategy of enhancing resource efficiency. This can be approached through the redesign of systems, finding new ways of meeting customers' needs with an eco-sensitive framework. To a large extent this can be further related to initiatives aimed at more holistic and integrated sustainable production and consumption. The recycling of aluminium, for example, has impacts on both the consumption and production patterns of aluminium. Despite criticisms of the industry that refer to aluminium as 'congealed electricity' (Young 1992), it remains a fact that the energy requirements of resmelting aluminium is only 5 per cent of what is required to produce virgin metal. Efforts to close the material aluminium loop through strengthened recycling will consequently influence current production and consumption patterns.

All this is clearly very promising. But what about the challenge of 'rebound effects' and overall eco-effectiveness?

The first question to be addressed is the extent to which business should and can be held responsible for rebound effects resulting from increased

consumption as a secondary effect of an increased use of aluminium in automobiles.<sup>23</sup> Returning again to the issue of GHG emissions, Norsk Hydro has expressed a clear concern for the climate change problem. The pressing question then becomes: Under what conditions will the documented achievements of Norsk Hydro (and other firms) lead to progress on the goal of transcending 'business as usual'? The initial answer proposed here is that the question has to be formulated in terms of the specific functional aspect of eco-efficiency that is being pursued, whereby each aspect of the process is probed for its overall contribution to eco-effectiveness, decoupling and sustainable development.

Moving back up to the global level, since the signing of the Kyoto Protocol, the European aluminium industry has expressed strong support for curbing greenhouse gas emissions. The industry aims here to provide solutions to enable present and future generations to meet their needs and to deliver continuous improvements in environmental performance.<sup>24</sup>

In this context the European Aluminium Association states that: 'Its unique recycling potential and intrinsic value means that aluminium is the most cost-effective material to recycle. The market for used aluminium is steadily growing. The more aluminium there is in a product, the more chance it has of being recycled.'<sup>25</sup> In this view recycled so-called 'secondary metal' is without doubt a positive environmental solution for future generations. And there is no doubt that Norsk Hydro can (and is) doing quite a bit along these lines. Strengthened ties with firms like Tomra for the promotion of 'reverse vending machines' for the recycling of aluminium containers are clearly compatible with current commercial strategies of Norsk Hydro.<sup>26</sup> A more demanding question, however, is the effect of an increased use of aluminium on greenhouse gas emissions.

In the discussion on governance for sustainable development, the concerns for consumption patterns are of utmost importance because consumption related to reductions in GHG emissions could counterbalance increased emissions from primary aluminium plants in Norway. Currently, several of the Norwegian primary aluminium smelters are responding to the opportunities created by the voluntary climate agreement of 1997. Production capacities have been increased, with Hydro Aluminium's plant in Sunndalsøra, Norway is becoming Europe's largest primary aluminium producer, with a total production capacity of 330,000 tonnes. According to company sources, Norsk Hydro uses more than 100 million euros on research and development.<sup>27</sup> A goodly portion of these efforts are located at Hydro's research centre in Årdal. One perspective that has emerged here is that, despite a 110 per cent increase in the production volume, the total emissions of fluorides will not increase. Other local impacts will also be quite positive, including plans to use surplus processing energy for residential heating and the promotion of aquaculture



production in local communities. This is state-of-the art technology, where all local environmental pollutants will be eliminated.

Furthermore, according to corporate sources, the emissions of CF<sub>4</sub> (the major PFC gas) at Sunndalsøra between 1988 and 2000 were reduced by more than 90 per cent to less than 50,000 CO<sub>2</sub>-equivalent tonnes. At the same time – despite state-of-the-art technology – approximately 530,000 tonnes of CO<sub>2</sub> will soon be emitted annually from the same smelter. Applying here the reasoning of Porter and van de Linde (1995): If all the low-hanging fruits of reducing PFC emissions are picked, while CO<sub>2</sub> emissions continue to increase, opportunities for actually decoupling environmental pressures from economic growth will not be achieved. The industry acknowledges the situation insofar as the focus is extended to total impacts along the value chain of aluminium. This clearly extends the responsible jurisdiction of Norway and the national commitments that the Norwegian Parliament has agreed upon. From a ‘business as usual’ perspective, concerned with a strengthening of value chain management, this obviously makes more sense to the industry than commitments to combatting greenhouse gas emissions at a national scale. The question, however, is whether this can be pursued to such an extent that decoupling and eco-effectiveness are actually realized?

In this connection, it is interesting to note that Norsk Hydro chairs a work stream on indications for the Sustainable Mobility Project of the WBCSD. This work is both highly promising and highly relevant for the current discussion. Comparable indicators, with a high degree of consensus among those to be monitored, could be the result. The project will deliver its general vision on a sustainable future by the end of 2004, and the work already done by Hydro in this area will be integrated into the final results.<sup>28</sup>

Norsk Hydro and the other firms involved in the project, define sustainable mobility as the ability to meet society’s need to move freely, gain access, communicate, trade and establish relationships without sacrificing other essential human or ecological values, *today or in the future* (emphasis added). The WBCSD project acknowledges that transportation-related emissions of greenhouse gases are increasing virtually everywhere, and CO<sub>2</sub> emissions from transportation in developing countries are projected to equal those of the OECD countries by 2015. Norsk Hydro markets aluminium as an environmental solution in that it can contribute to eco-efficient improvements with respect to individual cars. The industry has thus far been cautious, however, in referring to possible rebound effects; and to the fact that total greenhouse gas emissions are increasing despite the use of lighter and more eco-efficient cars. Given the arguments presented here, such reluctance represents a major challenge to the aluminium industry – assuming, that is, that they themselves take seriously their own aspirations of being a ‘partner for progress for sustainable development’.

## CONCLUSION

Reducing GHG emissions is a major goal of governance for sustainable development. It is still unclear as to how the Sustainable Mobility Project of the WBCSD will ultimately address this central challenge. If aluminium can create positive effects throughout the life-cycle of the product – due to recycling and the replacement of heavier metals – it could also represent a major step towards the transcendence of business as usual with respect to sectors that will create significant economic growth opportunities. This requires, however, that current perspectives and strategies for environmental protection and sustainable development – particularly related to ‘cradle to grave’ procedures – are both strengthened and supplemented. As argued here, business must introduce eco-effective initiatives that explicitly relate to *total* environmental loads and comprehensive impacts on natural capital throughout the life-cycle of the products that are produced and consumed.

As reflected in Chapter 4 of *Agenda 21*, changing consumption and production patterns is at the heart of sustainable development. Business has already achieved a significant number of eco-efficient results on the production side. At the same time, however, it is clear that gains in eco-efficiency are being offset by individual desires to consume products and services. This potential ‘rebound effect’ is contributing to negative total outcomes, despite numerous positive technical initiatives. In this light, efforts to govern consumption patterns must be more closely related to both up-stream activities and strategies for more sustainable consumption throughout the life-cycle of the product. Such a perspective, whereby sustainable production and sustainable consumption are more tightly integrated, has also been recently (re)endorsed at the WSSD in Johannesburg.<sup>29</sup>

In Norway, significant efforts have been made to strengthen research and development within this general value framework. Most of the efforts, however, have been related to either sustainable consumption *or* production! A more integrative approach is necessary to open up for new product and technology innovations, and the promotion of new consumption patterns based on performance and higher service content, rather than material content. It is expected that the vision produced by the Sustainable Mobility Project will further elaborate on these challenges, such that the key task ahead will be to promote more effective means of implementation.

Norsk Hydro, as with other aluminium producers, appears to be involved in the Sustainability Mobility Project with the aim of justifying an increased use of aluminium for the production of lighter vehicles. Light metals like aluminium are viewed as a feasible eco-efficient solution for the future. It remains to be seen, however, whether relatively isolated advantages such as less weight, less fuel, less corrosion and a greater potential for recycling can

achieve an integrated and consequential impact on current patterns of production and consumption. While continuing to work on radical technological breakthroughs in the primary production of aluminium, it would amount to a major contribution to governance for sustainable development if Norsk Hydro, as a ‘partner for progress’, can contribute to the development of indicators within the context of the WBCSD that take account of – and responsibility for – all GHG impacts throughout the entire value chain of aluminium. This would have to include increases at primary aluminium plants due to increases in production volume, but should also cover possible savings that can be created due to increased recycling and the replacement of heavier metals.

Such an indicator set could produce a total emission account, and would exemplify the systemic approach that the Norwegian aluminium industry has so strongly endorsed. The development of total GHG accounts related to the production and consumption of aluminium would represent significant progress in strengthening transparency concerning current consumption and production patterns. It would also contribute significantly to the goal of policy integration within the industrial sector. Finally – and most pointedly with respect to the present chapter – such an initiative would clearly demonstrate the unique potential of business, with respect to both resource control and innovative capacity, to become a full partner for progress in achieving governance for sustainable development.

## NOTES

1. Responsible firms aim to improve quality of life. This is clearly part of the increasing debate on Corporate Social Responsibility (CSR). Even though the concept of eco-sufficiency and social concerns are relevant (Gladwin et al. 1995; Dyllick and Hockerts 2002), we leave this aside here and focus the chapter only on ecological concerns. To support efforts of promoting sustainable development – including CSR initiatives – it will argue that the business community must remain focussed on ecological issues.
2. For further details see the ‘speech library’ at the WBCSD website: <http://www.wbcds.org>.
3. Most recently this is explicitly stated by UNEP in its *Global Environmental Outlook 3*. For further details see: <http://www.unep.org/Geo/geo3/index.htm>.
4. In 1995 the Business Council for Sustainable Development (BCSD) merged with the ICC-initiated World Industry Council for the Environment (WICE) into the WBCSD. For further details see Wyburd (1996).
5. For further details on the 3P programme of 3M see: <http://www.3m.com/about3m/environment/index.jhtml>.
6. For further details on the current relevant ‘WRAP’ efforts by Dow, see: <http://www.dow.com/environment/goal2005.html>.
7. These 16 principles were as follows; (1) Corporate Priority, (2) Integrated Management, (3) Process of Improvement, (4) Employee Education and Motivation, (5) Prior Assessment, (6) Product and Services, (7) Customer Advice, (8) Facilities and Operations, (9) Research, (10) Precautionary Approach, (11) Contractors and Suppliers, (12) Emergency and Preparedness, (13) Transfer of Technology, (14) Contributing to the Common Effort, (15) Openness to Concerns; and (16) Compliance and Reporting.

8. Another approach to measuring corporate progress would be to follow up ICC's request for an improved environmental management system (EMS) through a study of changes in the number of firms certifying in accordance with ISO 14000 or EMAS. However, as referred to subsequently, the reference to eco-efficiency has been chosen, as this remains directly related to traditional concerns of both shareholders and stakeholders; corporate revenues and profits.
9. The report published by WBCSD is available at the following web address: <http://www.wbcsd.org/newscenter/reports/2000/EEcreating.pdf>.
10. The following firms are taking an active stance in the Sustainable Mobility Project; bp, Honda, Renault, DaimlerChrysler, Hydro, Shell, Ford Motor Company, Michelin, Toyota, General Motors, Nissan and Volkswagen. For further details see the link for 'sustainable mobility' at the WBCSD website: <http://www.wbcsd.org>.
11. Inspired by statements from OECD on decoupling, the author looked into their efforts to promote eco-efficiency. What is striking, however, is the observation that OECD does not elaborate thoroughly on these issues. In a report (OECD 2001c) summarizing the main conclusion in the 'eco-efficiency' project launched in 1998 (OECD 1998), several relevant dimensions are discussed. These are related to the scope, nature and aggregation of the eco-efficiency. The needs for valid and reliable indicators are underlined. However, no further discussion on rebound effects and eco-effectiveness are included. The report, written in the language and reasoning of neo-classical economics, is concerned instead with classifying various types of environmental-commercial opportunities. Consequently, as with the case of WBCSD (2000), only win-win solutions are referred to.
12. The areas that business can refer to in efforts of promoting eco-efficiency are as follows: reduced material intensity, reduced energy intensity, reduced dispersion of toxic substances, enhanced recyclability, maximized use of renewables, extended product durability, increased in service intensity.
13. This is a central concern in the CondEcol project: 'Exploring the Conditions for Adapting Existing Techno-industrial Processes to Ecological Premises', undertaken at ProSus. For further details see: [http://www.prosus.uio.no/english/business\\_industry/condecoll/index.htm](http://www.prosus.uio.no/english/business_industry/condecoll/index.htm).
14. In 1886 Charles Martin Hall and Paul Lois Toussaint Héroult dissolved alumina in molten cryolite and extracted aluminium by electrolysis. Despite subsequent modifications in the use of carbon anodes, the 1886 invention seems to have sealed the fate of primary aluminium production technology at least when it comes to CO<sub>2</sub> emissions. In the case of Norway, for each kilo of primary aluminium produced, a minimum of 1.6 kilos of CO<sub>2</sub> is emitted into the atmosphere.
15. Joint implementation (Article 6), the green development mechanism (Article 12) and international emission trading (Article 17) are all part of the Kyoto mechanisms aimed at combating climate change through international efforts. For further details on the Kyoto Protocol as well as the position of the Norwegian government, see: <http://odin.dep.no/md/engelsk/publ/stmeld/022051-040013/index-dok000-b-n-a.html>.
16. The purpose of the voluntary climate agreement is to reduce greenhouse gas emissions generated by the Norwegian aluminium industry. With reference to CO<sub>2</sub> equivalents the agreement states that by the end of 2000 total greenhouse gas emissions should be reduced by 50 per cent (per tonne of produced primary aluminium) compared to emission levels in 1990. By 2005 the emission level should be reduced by 55 per cent compared to emission levels in 1990.
17. EU reference: <http://europa.eu.int/comm/environment/climat/emission.htm>.
18. To facilitate a comparison of different greenhouse gases, CO<sub>2</sub> equivalent emissions are calculated. With a 100 years' time horizon, CO<sub>2</sub> equivalents are established by conversions to values comparable with the effects on the climate from CO<sub>2</sub> emissions.
19. There are two different PFC gases generated at primary aluminium smelters: tetrafluoromethane; CF<sub>4</sub> with a global warming potential 6,500 times that of CO<sub>2</sub> emissions, and hexafluoromethane; C<sub>2</sub>F<sub>6</sub> with a global warming potential of 9,200 times CO<sub>2</sub> emissions. In the subsequent discussion this chapter will focus on CF<sub>4</sub> as this greenhouse gas represents the major environmental challenge.
20. For further details see: <http://www.hydro-aluminium.com/>.

21. For further details see: [www.elkem.com](http://www.elkem.com).
22. For further details see: [http://www.hydro-aluminium.com/3\\_1\\_0\\_0.html](http://www.hydro-aluminium.com/3_1_0_0.html).
23. Increased consumption in terms of kilometres driven is triggered by enhanced fuel efficiency due to lighter cars. It becomes cheaper to run the car as the consumption of gas per kilometre decreases. However, many may be tempted to drive more could thus increase total emissions!
24. For further information see: [http://www.aluminium.org/pages/fut\\_gen/fut\\_generat.html](http://www.aluminium.org/pages/fut_gen/fut_generat.html).
25. For further details see: <http://www.aluminium.org/pages/environment/recycling.asp>.
26. For further details see: <http://www.tomra.com/>.
27. Stated at the following website: [http://www.hydro.com/library/attachments/en/investor\\_relations/financial\\_reports/20f\\_99.pdf](http://www.hydro.com/library/attachments/en/investor_relations/financial_reports/20f_99.pdf).
28. The project also aims at dealing with issues related to vehicle design and technology, fuels, infrastructure, demand for personal mobility, demand for goods and services mobility, policy measures, urban contexts and long-distance contexts. These titles refer to the work streams that have been initiated by the Sustainable Mobility Project.
29. Stated in <http://www.uneptie.org/pc/pc/pdfs/WP-Aug%2022.pdf>.

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## 9. Governance by diffusion: implementing global norms through cross-national imitation and learning

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### INTRODUCTION

Implementing international norms is a core aspect of global governance. It raises the central question of whether, and through which mechanisms, developments at the international level can influence domestic policymaking. Scholars of global governance have placed much emphasis on processes of multilateral negotiating within international regimes and unilateral coercion by individual states or international organizations to explain how international agendas reach the domestic level. Drawing from an empirical case study on the national implementation of sustainable development, this chapter argues that cross-national diffusion constitutes a third and distinct mode of global governance that has not received due attention so far.

The first section of this chapter analyses the distinctive characteristics of the concept of sustainable development and what this means for its implementation. The second part introduces the concept of policy diffusion as one of three analytically distinct mechanisms of global governance. It draws on theories of the domestic effects of international norms and institutions developed within the field of international relations as well as theories of policy diffusion and policy transfer developed within public policy. Section 3 briefly links the typology of governance mechanisms proposed in this chapter to the findings of other related theoretical debates. Through an empirical case study on the international spread of national environmental policy plans and strategies for sustainable development, the fourth section demonstrates how cross-national imitation and learning matters as a mechanism for implementing the global norm of sustainable development and how these processes of policy diffusion interact with other, more institutionalized, forms of international governance. The chapter concludes with general perspectives on the theoretical as well as practical consequences of conceptualizing policy diffusion as a crucial component of global governance and on its potential as a mechanism for implementing sustainable development.



## SUSTAINABLE DEVELOPMENT: AN INTERNATIONAL NORM FOR NATIONAL IMPLEMENTATION

Unlike many other norms that have begun as domestic norms and have become international through the efforts of policy entrepreneurs of various kinds (Finnemore and Sikkink 1998: 893), the concept of sustainable development is genuinely international in nature, meaning that its origins cannot be tracked down to any national programme or political discourse. It was developed within the United Nations system by the Brundtland Commission and introduced into the political debate through the publication of the Commission's 1987 report *Our Common Future*.<sup>1</sup> A guideline for political action, sustainable development is therefore brought to national governments 'from the outside-in' (see Introductory chapter, present volume).<sup>2</sup> In addition to being genuinely international, sustainable development is a strongly normative concept 'used to prescribe and evaluate changes in living conditions' (Lafferty 1996: 189). It thus corresponds to what scholars have termed a 'prescriptive' or 'evaluative' norm, setting basic standards of appropriate behaviour for states and organizations as well as individuals.<sup>3</sup>

Through a series of international conferences, the most influential of which were the 1992 Earth Summit in Rio de Janeiro (UNCED) and the 2002 World Summit on Sustainable Development in Johannesburg (WSSD); through the translation of its normative content into a set of more specified rules and guidelines as in the global action plan *Agenda 21*; and through the setting up of new international bodies such as the United Nations Commission on Sustainable Development, the concept of sustainable development has over the last decade and a half become successfully institutionalized at the international level. International institutionalization is, however, only a first and far from sufficient step in the process of making this concept operational. The necessary next step is the effective implementation of sustainable development at the level of the nation-state, that is, the translation of this set of globally anchored prescriptions into domestic policymaking (OECD 2001a).<sup>4</sup>

In theoretical terms, the challenge of implementing sustainable development 'from the outside-in' raises the more general question of whether and how the international agenda can influence or determine domestic agendas. This touches upon core questions of global governance: How do international norms reach the domestic arena? Through which mechanisms do they affect the interests and preferences of national actors (Checkel 1999; Cortell and Davis 1996; Finnemore and Sikkink 1998)?<sup>5</sup> If, as James Rosenau argues, global governance is 'about the maintenance of collective order, the achievement of collective goals, and the collective processes of rule through which order and goals are sought' (Rosenau 2000: 175), then the question of domestic implementation of sustainable development constitutes a crucial touchstone

for the effectiveness of global governance in general, or, in other words, for the international system's capacity to govern itself.

### THREE MECHANISMS OF GLOBAL GOVERNANCE

The term governance has emerged within international relations studies in the course of the 1980s and has become increasingly popular during the 1990s. Basically, global governance means 'the formal and informal bundle of rules, roles and relationships that define and regulate the social practices of states and nonstate actors in international affairs' (Slaughter et al. 1998: 371); or, even more broadly, 'the many ways individuals and institutions, public and private, manage their common affairs' (Commission on Global Governance 1995: 2). While in definitional terms many scholars today agree on such a broad understanding (Rosenau 1992), in practice, international or global governance is often used as more or less synonymous with the narrower notion of international regimes (Smouts 1998; Young 1997: 5–6). Kratochwil and Ruggie (1986: 759) pointed this out already in the mid-1980s, and Martin and Simmons have more recently described the regimes movement as 'an effort to substitute an understanding of international organization with an understanding of international governance' (Martin and Simmons 1998: 737). This widespread practice of equating governance with regimes is, however, problematic in conceptual terms and is not fully supported by empirical evidence.

International regimes, characterized as deliberately constructed 'social institutions consisting of agreed upon principles, norms, rules, procedures and programmes that govern the interactions of actors in specific issue areas' (Hasenclever et al. 2000: 3; Krasner 1983: 2; Levy et al. 1995: 274), are conceptually too narrow to grasp all possible mechanisms through which international political factors affect domestic policymaking. Four arguments may serve to substantiate this claim.

First, non-state actors play a more important role in global governance than the concept of international regimes can convincingly account for.<sup>6</sup> While attempts recently have been made to model the role of non-state actors within international regimes (Arts, 2000), these attempts obviously do not aim to theorize their importance *outside* international institutions.

Second, the notion, stressed especially in neo-institutionalist accounts, that regimes are negotiated (Keohane 1983, 1984; Rittberger 1993) or 'deliberately constructed' (Hasenclever et al. 2000: 3) excludes important instances of international policy coordination that occur in the absence of multilateral cooperation. The argument put forth here is that both bilateral coercion and cross-national diffusion are important mechanisms of global policy coordination that are insufficiently accounted for in the regime concept.

Third, the notion that regimes include the complete set of general principles and norms as well as specific rules and procedures implies a relatively high degree of international institutionalization in a given issue area. However, as research on international norm dynamics has revealed, institutionalization is not a necessary precondition for international agendas to affect domestic decision-making (Finnemore and Sikkink 1998: 260). Global norms and principles can become influential domestically without first being spelled out in specific rules and procedures. Global governance, therefore, does not exclusively occur through international regimes.

Finally, in certain fields of global politics – especially those connected with North–South relationships such as development assistance – there is no single set of principles, norms and rules around which the expectations of all actors converge<sup>7</sup> (Smouts 1998: 86–7). Rather, one group of actors imposes its principles and rules upon another group of actors. Convergence then does not occur at the level of expectations, or – as constructivists might argue – at the level of interests and preferences, but merely at the level of formal policy outputs.

If international regimes are only one – albeit a crucial – mechanism of global governance, then what other pathways exist through which international processes can lead to domestic policy change? Empirical research on the international sources of domestic environmental politics across a large number of policy innovations and an ample set of countries has revealed that international stimuli can generally influence domestic politics through three analytically distinct mechanisms: multilateral harmonization, unilateral imposition and cross-national diffusion (Busch and Jörgens 2003). These mechanisms differ in a number of important ways, notably with regard to the underlying mode of operation, the level of obligation they involve,<sup>8</sup> and the specific motivations of national policymakers<sup>9</sup> (see Table 9.1). While the impact of harmonization and imposition on domestic policymaking has been studied to some extent within international, comparative and European studies,<sup>10</sup> the functioning of diffusion as a governance mechanism stands only at the beginning of being systematically explored.<sup>11</sup> In the following, therefore, harmonization and imposition will be treated more briefly, whereas the motivations of policymakers to engage in processes of policy diffusion and the factors that promote or hinder the global spread of policy innovations will be explored in greater detail.

### **Harmonization**

As used here, the term ‘harmonization’ means the conscious modification of internal policies by governments committed to multilateral standards that they have had a hand in drafting (Howlett 2000: 308). It is roughly identical with

*Table 9.1 Three mechanisms of global governance*

	Harmonization	Imposition	Diffusion
Mode of operation	Multilateral cooperation and decision-making	Unilateral conditionality (political or economic)	Decentral imitation, persuasion/learning
Level of obligation	Medium to high	High	Low
Principal motivations of national policymakers	Address transboundary problems Avoid trade distortions	Join existing international organizations or treaties Obtain financial or technical aid	Search for solutions to domestic problems Reduce uncertainty Avoid negative externalities of other states' actions Gain internal and external legitimacy
Principal driving force	Interest	Power	Knowledge

regime governance as it relates to the formulation and implementation of multilateral agreements within international regimes as well as to the implementation of decisions taken within supranational organizations such as the European Union. Unlike imposition and diffusion, harmonization involves the deliberate and cooperative attempt by a particular set of countries to solve problems that they are collectively confronted with. The sources and targets of governance are therefore broadly identical. The principal motivations for states to engage in processes of international harmonization are to address collective, typically transboundary, problems that cannot be solved by any one country alone; or to standardize different national regulations in order to reduce barriers to the free movement of people, capital and goods and avoid trade distortions. While states are free to engage in multilateral decision-making and, if they choose, to have an active influence on the outcomes, once an agreement is reached, they are more or less strongly obliged to comply and to implement the agreement in their national context.<sup>12</sup> As Diane Stone argues, harmonization involves some sacrifice of national autonomy and sovereignty (Stone 2001).

The level of formal obligation involved in harmonization processes is therefore relatively high. It is highest in EC law, due to the supremacy of European over national law and its enforcement by the European Court of Justice, and, to a slightly lesser degree, in binding international accords. Non-binding international commitments (declarations and programmes of action, in the 'soft law' category [Shelton 2000]), involve, on the other hand, only intermediary levels of formal obligation.<sup>13</sup>

## **Imposition**

Imposition occurs when individual states, international organizations or private actors use asymmetric power relationships to dictate their policies to other states. It involves one country being intentionally forced to adopt the policies favoured by another country, by an international organization or by a private actor, for example, a transnational corporation. While military coercion is a very rare phenomenon and plays virtually no role in 'low' politics like environmental protection or sustainable development,<sup>14</sup> economic or political conditionality – as used in development assistance or in the process of European Union enlargement – are more common forms of imposition. Like harmonization, imposition involves a high level of obligation as states formally commit themselves to implement externally prescribed policies. It differs from harmonization in that the principal motivations of the sources and targets of governance no longer coincide. While international organizations basically aim to export their fundamental values and principles, or their preferred solutions for particular problems, importing countries are interested

primarily in material or political gains such as monetary assistance, access to international treaties, or membership in exclusive ‘clubs’ like the European Union. Usually, importing countries have little or no influence on the design of the policies that are being imposed upon them.

## **Diffusion**

Finally, diffusion, in Everett Rogers’ influential definition, refers to ‘the process by which an innovation is communicated through certain channels over time among the members of the social system’ (Rogers 1995: 5). It is a process of imitation or learning where information about innovative practices in one setting affects policy choices in another (Simmons and Elkins 2003). Contrary to harmonization and imposition, diffusion occurs in the absence of formal or contractual obligation as no formal commitments towards other governments or international organizations exist to implement a certain policy.<sup>15</sup> The main rationale of diffusion lies in the fact that actors tend to place excessive importance on information that is readily available, thus favouring policies that are already in place in other countries over those policy options that have not yet been adopted elsewhere (Weyland 2002). Like the related concepts of ‘emulation’ (Hoberg 1991) and ‘policy transfer’ (Dolowitz and Marsh 1996, 2000), policy diffusion involves ‘the recognition of foreign exemplars and their incorporation into new or existing policies’ (Howlett 2000: 308). However, while emulation and policy transfer relate to individual cases, diffusion, as generally used in political science, comprises the sum of many cases of policy emulation with regard to a given policy innovation. Often, these individual processes are only loosely connected. In other words, diffusion processes become manifest only through the accumulation of individual cases of imitation or lesson-drawing regarding one and the same policy innovation. Its decentralized and unconnected nature – where the policies of one country can be influential in shaping the policies of another without the country of origin even noticing it – sharply distinguishes diffusion from harmonization and, although to a lesser degree, from imposition.<sup>16</sup>

## **Causes of policy diffusion**

National policymakers emulate other countries’ policies for various reasons. They may act in a rational and problem-oriented manner by looking across national borders for effective solutions to pressing domestic problems. This is what Richard Rose (1991, 1993) has labelled ‘lesson-drawing’.<sup>17</sup> In situations where domestic actors face great uncertainties about the likelihood of present policy alternatives to bring about their preferred future outcomes, they may model their own policy choices on those of countries that are generally perceived as being successful. This is, in essence, what DiMaggio and Powell

(1983: 151–2) refer to as ‘mimetic isomorphism’. Especially in the early stages of a diffusion process, state policymakers may also be actively persuaded by other state or non-state actors – such as other states, international organizations, transnational NGOs or participants in inter- or transnational professional networks – to adopt policies that are practised by only a small number of pioneering states (Finnemore 1993; Haas, 1992; Keck and Sikkink 1998). During the later stages of diffusion processes, when a policy innovation has already been adopted by a fair amount of states,<sup>18</sup> the importance of argumentative persuasion or the search for effective solutions to given problems as stimuli for political action may become secondary. Other motivations, such as international pressures for conformity, the attempt of political elites to increase the legitimacy of their actions, and their desire to enhance their self-esteem within an international society structured by emerging normative standards of appropriate behaviour, may then become increasingly important (Finnemore and Sikkink 1998: 895, 902–4).

Moreover, competition among states and the desire to avoid future economic or political disadvantages or adjustment costs may motivate states to imitate the actions of their primary competitors. *Political* competition occurs when states struggle to shape policy developments at the international level in accordance with their national policy patterns and regulatory traditions in order to minimize the costs of political and economic adjustment to upcoming binding regulations (Andersen and Liefferink 1997; Héritier et al. 1996; Kern et al. 2001: 4–5). In the shadow of future international regulations, there thus often evolves an international dynamic where states race to adopt national regulations that are directed towards the same policy problem, but that may differ with regard to administrative and technological details or with regard to the scope or ambition of policy goals.

The result is an often rapid emergence of numerous national regulations in a given problem area. Although these national approaches differ in scope or administrative detail, in their sum they form a global regulatory structure, which in turn increases the prospect of international harmonization or further diffusion. Due to the higher probability of binding international regulations, political competition can be expected to be more frequent in institutionally thick environments such as the European Union or – taking into account the considerable geographic overlap – the entire OECD world.

By contrast, *economic* competition may be more likely within institutionally ‘thin’ international environments or issue areas where formal political authority rests largely with the nation-state and has not been handed over to supranational or international institutions. Economic competition occurs when the increasing international economic integration and the mobility of trade and capital flows create pressures ‘to modify regulatory policies in order to sustain or improve national competitiveness in a global economy’ (Holzinger and

Knill 2003; Tews et al. 2003: 572). The result may be a 'race to the bottom', where countries lower their regulatory standards in order to avoid capital flight (Drezner 2001a: 57–8). In practice, however, this process may be more complex, involving changes in policy instruments rather than directly lowering standards of environmental or social protection. An illustrative example can be found in the field of environmental protection, where it has proven almost impossible to lower emission standards once reached (Vogel 1997: 558). Instead, direct and legally binding regulations by national governments are being increasingly complemented or even substituted by softer instruments such as voluntary agreements between government and polluters or by unilateral self-commitments of polluting industries (De Clercq 2002). In the wake of this change of instrument it becomes easier to set less ambitious policy goals or relax monitoring requirements, and thus de facto lower the environmental standards domestic industries have to comply with. Often, such indirect weakening of environmental standards occurs through, and is justified by, the emulation of widely acknowledged foreign models such as the Dutch negotiated agreements ('covenants'), or of concepts advocated by international organizations like the OECD. Rather than inventing completely new approaches to environmental protection, countries thus often tend to imitate the policy changes introduced by their primary competitors in order to relax their own environmental and social protection standards.

However, instead of inducing a 'race to the bottom', the result of economic competition may also be a 'race to the top', where countries seek to emulate new and ambitious programmes at an early stage of their international diffusion in order to secure 'first-mover advantages' and not lag behind other states (Porter and van der Linde 1995). In addition, national policymakers may be encouraged by their domestic industries to raise regulatory standards to the level of the more strictly regulated markets. The reason behind this is that international firms will in any case have to meet the standards of the most highly regulated markets if they want to sell their products there. Instead of manufacturing products with different environmental properties for different markets, they may be interested in harmonizing product standards at the level of the most highly regulated market in order to be able to produce similar products for all markets at overall lower costs (Vogel 1997: 561–6).

### **Determinants of policy diffusion**

Independent of the concrete motivations of actors to engage in processes of imitation or learning, four groups of factors influence the probability, the speed and the course of policy diffusion: (1) the existence of international or transnational channels of communication through which information on policies in other political constituencies can be communicated; (2) the specific properties of policy innovations; (3) the specific structure of the problem that



a given policy innovation is expected to deal with; and (4) the national capacities for adopting particular policy innovations.<sup>19</sup> These factors help explain why some policy innovations spread faster than others, why some countries are faster than others in adopting policy innovations, and why the speed of diffusion varies from one set of countries to another (Jørgens 2001).

*Transnational channels of communication* provide the basic infrastructure for knowledge about new policy instruments, programmes or institutions to travel from one jurisdiction to another. In a very basic sense, they take the form of international or global issue networks where state and non-state actors meet on a regular basis to exchange information and to coordinate national policies and programmes. Examples of such issue-specific networks include: transnational advocacy networks (Keck and Sikkink 1998) and epistemic communities (Haas 1992), which internationally promote their subjective framing of specific policy problems and their causal beliefs of how to solve these problems; intergovernmental networks of policymakers, experts and NGO representatives, which centre around specific policy innovations such as national environmental policy plans (International Network of Green Planners) or national ecolabels (Global Ecolabeling Network); and international organizations like the United Nations, the OECD or the European Union, which provide issue-specific arenas where national officials regularly meet, exchange information and coordinate their national policies (Kern et al. 2001).

In addition to providing arenas where national policymakers regularly meet, many international organizations and intergovernmental networks are actors in their own right, describing and examining policy innovations or best practices in front-runner countries, and making this information available in a wide range of publications, in internal policy papers and at international conferences. Elizabeth Bomberg and John Peterson (2000: 19) have identified 'institutionalized peer-review and identification of best practice according to agreed criteria ("benchmarking")' as one of the major tools of policy transfer within the European Union. The explicit aim of these benchmarking activities is to foster the international diffusion of policy innovations in a given issue area and to harmonize national regulations and strategies at a high level (Kern et al. 2001: 9). With regard to sustainable development, the United Nations Commission on Sustainable Development regularly publishes status reports on the national implementation of *Agenda 21* – the latest of which was prepared for the 2002 World Summit on Sustainable Development in Johannesburg. In a similar vein, think tanks, consultancy firms or foundations regularly disseminate information on best practice and advocate new policies at the national and international level (Stone 2000).

While the existence of international channels of communication determines whether policy diffusion can occur at all, the specific *properties of*

*policy innovations* are decisive for the speed at which an innovation spreads in the international system (Jørgens 2001). Policy innovations, whose adoption requires only incremental changes to existing policy styles and institutional structures, are more likely to be adopted than policies that conflict strongly with existing regulatory traditions (Kern et al. 2001: 11–12; Rose 1993: 135 f.). Similarly, when policies contradict the interests of important domestic actors, national policymakers are likely to encounter strong opposition against their adoption. Generally, it can be expected that redistributive policies spread more slowly than regulative policies, and that regulative policies in turn diffuse less rapidly than distributive or informational approaches (Kern et al. 2000; Lowi 1972). Scholars of organizational sociology argue that policy innovations practised in pioneering countries diffuse more rapidly throughout a social system if it is possible to detach them from the specific national context in which they evolved, and to develop an abstract model that can be applied to a wider range of national contexts (DiMaggio and Powell 1983: 155–6; Strang and Meyer 1993). Or, as Strang and Soule put it: ‘... practices do not flow. Theorized models and careful framings do’ (1998: 277).

Of course, theorizing requires an agent that engages in this task. Developing abstract and universally applicable models is, therefore, one of the core strategies of transnational advocacy networks, international organizations or epistemic communities that seek to empower international norms at the level of the nation-state. It is obvious that the inherent properties of individual policy innovations make them more or less suitable for generalization and thus affect their prospects for diffusion.

Similar to the characteristics of policy innovations, the specific *structure of the problems* that policy innovations are designed to tackle may also influence the speed of diffusion. In their large-scale comparison of national environmental policies, Martin Jänicke and Helmut Weidner have demonstrated that ‘the structure of the problem, in terms of its visibility and urgency, the availability of a standard technological solution and the societal importance and composition of the relevant target groups’, significantly determines whether a problem reaches the domestic agenda or not (Jänicke and Weidner 1997: 310).

Finally, the *national context of the adopting state* acts as a filter for the transfer of policies from one political setting to another. The domestic context includes administrative or regulative traditions and national policy styles as well as national capacities to actually adopt and implement a given policy. It is of crucial importance not only to processes of policy diffusion, but has also repeatedly been identified as a decisive factor for international harmonization, that is, for the national transposition and implementation of international or European law. The basic proposition developed, especially in the literature on Europeanization, is that the ‘goodness of fit’ between the European and the domestic level (that is, the degree to which European norms ‘resonate’ with

domestic political, institutional and cultural structures) conditions the degree and extent to which national settings can change in response to international norms (Börzel and Risse 2003; Checkel 1999; Cowles et al. 2001). While in cases of international or European obligatory harmonization the pressure for change is high and will thus lead to some kind of national adaptation (Knill and Lehmkuhl 2002); in cases of non-obligatory diffusion, misfit between global norms and domestic structures may completely preclude national adoption of a policy model or lead to substantive changes of the original policy model in the course of adoption (see for example Rose 1993).

Besides the ‘goodness of fit’ between global norms and domestic structures, the national political, financial, scientific and technological capacities to implement a particular policy innovation determine whether a country voluntarily adopts a foreign model or not (Kern et al. 2001: 8; Tews et al. 2003: 575–6). The limited capacity of many, especially developing or transitional countries, may constitute a crucial obstacle to ‘soft’ policy diffusion as it can be expected that countries first implement those norms and policies that are set down in international obligatory law or which they are coerced by other states or organizations to implement. Voluntary imitation or learning, then, may be found especially in those areas where harmonization and imposition are largely absent.

## THEORETICAL RELEVANCE OF THE TYPOLOGY OF GOVERNANCE MECHANISMS

The typology of governance mechanisms put forward here is consistent with other scholarly efforts to systematize the ways in which states are influenced by their external environment. The triad of harmonization, imposition and diffusion was first introduced to describe the exogenous determinants of national policymaking by Colin Bennett (1991) and Michael Howlett (2000) in their work on international policy convergence.<sup>20</sup> Both authors argue that – in addition to contextual factors like the general functional prerequisites of modernization (Collier and Messick 1975), or more idiosyncratic national factors – the increasing convergence of national policies is the result of international or transnational influences that can best be systematized through these three mechanisms. In a similar vein, Dolowitz and Marsh (2000: 13–17) conceptualize different types of policy transfer along a continuum ranging from voluntary lesson-drawing to obligated transfer and to direct imposition. Finally, with a focus on the study of international regimes, Oran Young distinguishes three different paths to regime formation, which closely resemble the broader governance mechanisms proposed here: ‘negotiation’, where international regimes are set up by explicit agreements; ‘imposition’, where

regimes are externally forced upon actors; and ‘spontaneous emergence’, where governance evolves from the converging expectations of many individual actions (Young 1983: 98–101, 1997: 10–11).

Governance processes similar to those observable in the world of states can also be found in the world of organizations. In the field of organizational sociology, DiMaggio and Powell (1983) have argued that institutional isomorphism – that is, the process through which organizations within a given social system grow similar over time – can be either ‘coercive’, ‘mimetic’ or ‘normative’. Contrary to the model proposed here DiMaggio and Powell subsume both asymmetric power relationships and legal standard-setting under the heading of ‘coercive isomorphism’. In return, both mimetic and normative isomorphism are variants of what is here labelled diffusion. While these differences are mainly attributable to differences in the subject of analysis – nation-states in the one case and societal organizations in the other – the work of DiMaggio and Powell makes a strong argument for the importance of non-hierarchical imitation and learning, even in those environments where authoritative decision-making by governments is a valid option.

In more abstract terms, the three governance mechanisms identified in this chapter reflect the three major structuring forces of modern society: interest, power and knowledge. Interest and cooperation stand at the core of rationalist and neo-institutionalist theories in international relations,<sup>21</sup> power and coercion are the central explanatory categories of realist and neo-realist approaches,<sup>22</sup> and knowledge and the diffusion of principles and ideas are given particular emphasis in constructivist and idealist accounts.<sup>23</sup> The typology of governance mechanisms developed here is thus not exclusively linked to any particular theoretical school in international relations, but can serve as a heuristic device within realist, rationalist and constructivist frameworks.

Of course, the differences in this typology are mainly analytical. The three governance mechanisms are not always empirically distinct. For example, when the World Bank or the International Monetary Fund require that countries change their national economic policies as a precondition for development loans, this process would normally be classified as a case of external imposition, where IMF or World Bank conditions stand in opposition to the interests of national policymakers. Research on IMF and World Bank conditionality has shown, however, that, in some cases, national policymakers actually favour the external imposition of the policy models advanced by international organizations so they can blame the external donor organization for unpopular policy choices, which, in fact, they have deliberately chosen (Vreeland 2003). Formally, such a case would be classified as imposition. Substantially, however, it would at least in part resemble harmonization in that the motivations to act of both the source and the target of governance are partly identical and the new policies have been purposely chosen by the adopting country.

While in concrete empirical settings, the borders between the different governance mechanisms may at times be blurred, analytically the typology helps to shed light on the different motivations of actors to implement global norms domestically and to explain different degrees of norm implementation across countries and issue areas.

In the next section the analysis focuses on the international spread of national environmental policy plans and sustainable development strategies in order to assess the role policy diffusion plays in this process, and to find out how diffusion interacts with harmonization and imposition in an integrated attempt to improve global governance for sustainable development.

## EXPLAINING THE GLOBAL SPREAD OF SUSTAINABLE DEVELOPMENT STRATEGIES

### **Implementing Sustainable Development Through National Sustainable Development Strategies**

National environmental policy plans and sustainable development strategies constitute one of the most important attempts to adapt the global norm of sustainable development to individual domestic contexts (Dalal-Clayton 1996: 3; Jänicke and Jörgens 2000a; Lafferty and Meadowcroft 2000). This makes these initiatives an ideal object for an empirically grounded analysis of how – that is, through which governance mechanisms – the international norm of sustainable development reaches the national level.

Basically, environmental policy plans and sustainable development strategies can be defined as comprehensive governmental programmes of action that are developed with the participation of a wide range of societal actors and that formulate medium- and long-term cross-sectoral goals and priorities for an economically and socially sound environmental policy (Jänicke et al. 2001). Empirically, two types of strategic approaches can be distinguished: *environmental policy plans* (or ‘green plans’), which focus predominantly on the solution of environmental problems and perceive social and economic aspects merely as important constraints for the attainment of environmental goals, and *sustainable development strategies*, which follow a more holistic approach and attempt to set separate goals for all three dimensions of sustainable development, that is, formulate environmental, social and economic goals. Ideally, both environmental policy plans and sustainable development strategies involve the following key elements (Jänicke and Jörgens 1998; OECD, 2001b, 2001c):

- the formulation of long-term goals for environmentally sustainable development (goal orientation);

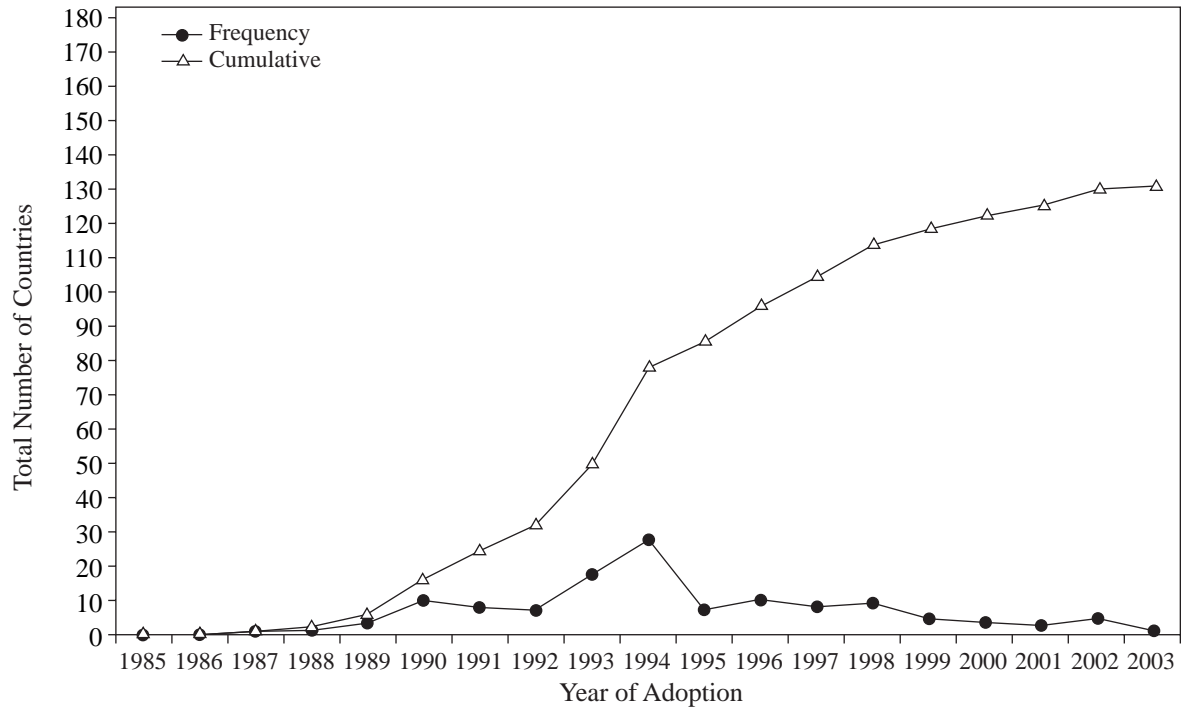
- the foundation of these goals in a detailed analysis of the whole range of national environmental and sustainable development problems (problem orientation);
- the cooperative development of goals and actions among the relevant national ministries and agencies (policy integration);
- the involvement of polluters and target groups as well as concerned societal groups in the process of decision-making (target group policy and participation);
- regular reporting and policy evaluation (monitoring); and
- the continuous development of the strategy process (process orientation).

Since the late 1980s, 140 countries in the world have adopted official national 'green plans' or sustainable development strategies (Busch and Jörgens 2003, see Figure 9.1). While most national strategies differ substantially from the ideal-type model outlined above – notably with regard to the extent of societal participation, the problem adequacy of goals and measures, the degree of policy integration and the quality of reporting and monitoring foreseen in the strategy – clearly they have to be interpreted as part of a worldwide process of putting the global concept of sustainable development into practice at the domestic level (Jänicke and Jörgens 2000b; Lafferty, Ch. 1, this volume; Lafferty and Meadowcroft 2000).

From a governance perspective this impressive global spread of sustainable development strategies raises the following questions: How has the proliferation of green plans and sustainable development strategies come about? What have been its main causes and driving forces? Through which mechanisms has the global norm of ecologically sustainable development been implemented at the national level? And how have these mechanisms interacted with each other? These questions will be addressed in the following by assessing the role of harmonization, imposition and diffusion as analytic processes affecting the global spread of strategic sustainable development plans and how these mechanisms affected each other.

### **Planning for Sustainable Development in Industrialized Countries: From Problem Pressure and Diffusion to International Harmonization**

Among OECD member states the initial stimuli for the development of national environmental and sustainable development strategies were twofold. On the one hand, environmental pressures had increased in most industrialized countries throughout the early 1980s, and public concern for environmental protection had grown significantly due to widely visible environmental disasters such as the large-scale forest dieback in Germany and other European



Source: Busch and Jörgens (2003).

Figure 9.1 Worldwide spread of green plans and sustainable development strategies

countries in the mid-1980s or the Chernobyl accident of 1986. On the other hand, the development of the concept of sustainable development, with point of departure in the Brundtland Report of 1987 and with an emphasis on long-term sustainability, an integrated approach to environmental, social and economic problems, and a more participative model of decision-making and implementation, provided a common theme for future environmental policy (Jänicke et al. 1997: 24).

Against this background the first OECD countries to adopt a national green plan were Denmark and the Netherlands. Both the Danish Action Plan for Environment and Development of 1988 and the Dutch National Environmental Policy Plan (NEPP) of 1989 were influenced by domestic environmental pressures as well as the UN-backed concept of sustainable development. However, while the Danish action plan went relatively unnoticed, the Dutch NEPP received considerable attention outside the Netherlands, and was rapidly elevated into a widely recognized model for the national implementation of sustainable development (Liefverink 1999). Shortly after the publication of the Brundtland Report (WCED 1987) the Dutch government designated sustainable development as 'the general guideline for overall Dutch government policy' (Bressers and Plettenburg 1997: 125). The NEPP specified this claim by setting an overarching target of achieving sustainable development in the Netherlands by the year 2010. With a rather technocratic vision of sustainable development (aimed predominantly at 'reducing environmental impacts rather than promoting societal change' [Bennett 1997: 81]), the NEPP set the stage for a first generation of green plans and sustainable development strategies that were mainly concerned with the ecological dimension of sustainable development.

In the course of the 1990s, the Dutch National Environmental Policy Plan was directly or indirectly imitated by several industrialized countries and by the European Commission, and served as an important source of inspiration to others. The European Union's Fifth Environmental Action Programme of 1992 entitled 'Towards an Environmentally Sustainable Development', which itself strongly influenced the development of green plans and sustainable development strategies in numerous Western and Eastern European countries, was directly modelled on the NEPP. Just like its Dutch counterpart, it is built around core environmental themes and target groups, and calls for a shift from hierarchical regulation towards a stronger involvement of societal actors and a broader mix of instruments in environmental policy (Donkers 2000). This close similarity was mainly a result of the active promulgation of the NEPP approach by the Dutch government, which also included (significantly) the relocation of Dutch civil servants who had been involved in the development of the NEPP to the European Commission. Consequently, several of the key participants in the preparation of the Fifth Environmental Action Programme



were 'schooled' in the Netherlands, including the Commission's Director General for the Environment as well as one of the leading authors of the Action Programme (Lieberink 1999: 273). Other national strategies that were modelled upon either the NEPP or the Fifth Environmental Action Programme include the Portuguese and Latvian national environmental policy plans, both adopted in 1995; and the Irish sustainable development strategy of 1997, which centres around key polluting sectors and introduces sectoral 'task managers' who are to oversee the implementation of the strategy for the various sectors and who strongly resemble the 'target group managers' introduced by the Dutch NEPP (Bressers and Plettenburg 1997: 116).

While the NEPP was diffused to the EU level through active promotion and persuasion on the part of the Dutch government, the Austrian National Environmental Plan of 1995 in turn emulated the European Union's Fifth Environmental Action Programme in a clear effort by the Austrian government to appear modern and ecologically responsible. As stated by Pleschberger:

... the Austrian plan is the imitation and adoption of 'higher' environmentally related policy developments. Old and new documents of the global and European environmental policy are repeatedly mentioned as reference sources in the national plan. In addition, the target sectors selected as areas for policy involvement are drawn from the Fifth Environmental Action Programme of the EU. This shows that the new Austrian environmental policy places itself demonstratively within the context of supranational and global environmental policy which serves as the legitimizing source for national policy efforts. (Pleschberger 1999: 222)

The development of the Canadian Green Plan in 1990 was to an important degree the result of a movement of decision-makers from one political setting to another, as the ideas developed in the Brundtland Commission quickly spread to the Canadian political debate through the involvement of high-level policymakers who were active in both the domestic and the international arena (Gale 1997: 100–101).

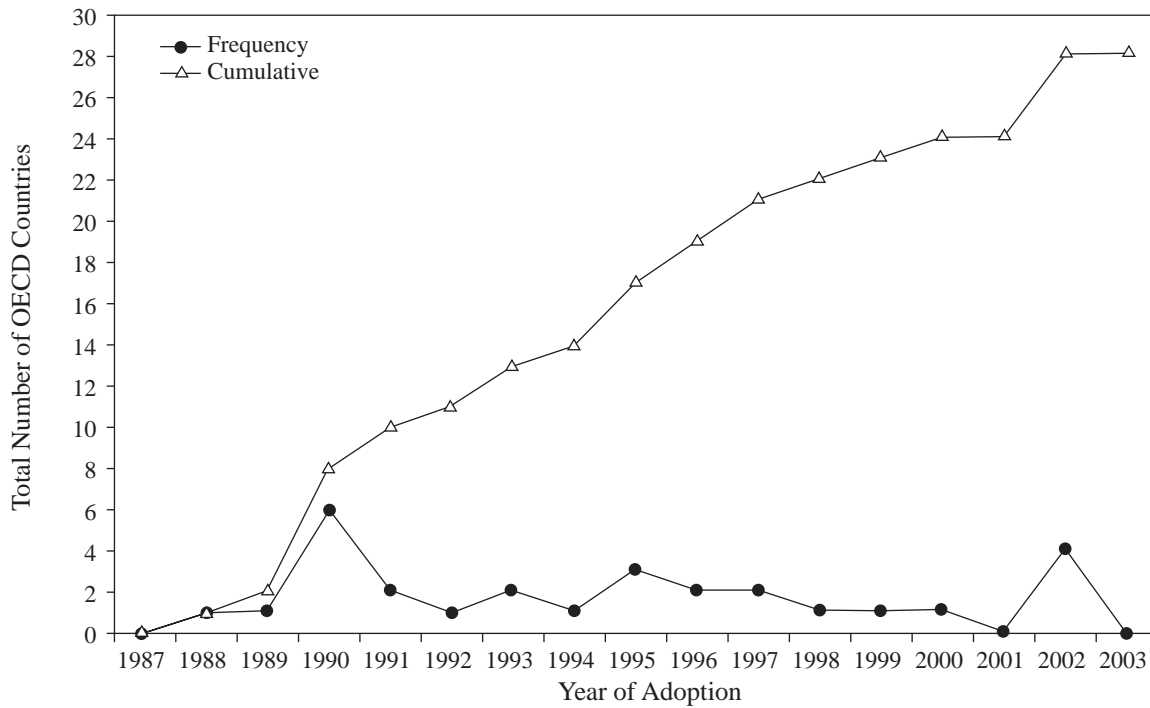
In addition to the above illustrated cases of bilateral policy transfer and 'policy insemination', the spread of sustainable development strategies within the group of industrialized countries was from the early 1990s onwards, strongly influenced by an increasing international coordination and institutionalization of diffusion processes. The most important step in this regard was a recommendation put forth in the UN 'action plan' from Rio, *Agenda 21*, stating that:

Governments, in cooperation, where appropriate, with international organizations, should adopt a national strategy for sustainable development . . . . This strategy should build upon and harmonize the various sectoral economic, social and environmental policies and plans that are operating in the country. The experience gained through existing planning exercises such as national reports for the

Conference, national conservation strategies and environment action plans should be fully used and incorporated into a country-driven sustainable development strategy. Its goals should be to ensure socially responsible economic development while protecting the resource base and the environment for the benefit of future generations. It should be developed through the widest possible participation. (UN 1993: Article 8.7, p. 67)

The recommendation of *Agenda 21* was not legally binding for the signatory states and did not specify any point in time for when compliance was expected. It therefore involved a relatively low degree of formal obligation. It entirely changed, however, the political–institutional issue structure in which national governments operate. Following the Rio Earth Summit a wide range of domestic or transnational governmental or non-governmental actors started using *Agenda 21* and its prescription of national sustainable development strategies as a point of reference for their demands. Shortly after UNCED the OECD included the existence or non-existence of a green plan or a national sustainable development strategy as a criterion for evaluation in their national ‘Environmental Performance Review’ process: a high-level peer review and benchmarking exercise whereby national environmental policies are evaluated by changing teams of experts from other OECD countries, with the results promulgated through a widely disseminated book series (OECD 2001b). The international environmental NGO, Friends of the Earth, developed detailed proposals of ambitious sustainable development strategies for the European Union, the Netherlands and Germany, and initiated public campaigns to urge governments to engage in the process of strategy formulation (Jänicke et al. 2000: 222). Also, in direct response to the *Agenda 21* recommendation on sustainable development strategies, an International Network of Green Planners was set up in 1992 by policy experts from the environmental ministries of Canada and the Netherlands, from Malaysia, UNDP, UNEP and the OECD as a global forum for policymakers to share information, learn from national experiences and promote the diffusion of national green plans and sustainable development strategies. Finally, at the domestic level, opposition parties as well as environmental groups have regularly pressed governments to develop sustainable development strategies by pointing to the recommendation laid down in *Agenda 21* and to the fact that virtually all world governments have formally approved the global action plan.

During the period following the Rio Conference the number of OECD countries that had formally adopted a green plan or a sustainable development strategy rose from ten by the end of 1991 to 21 in 1997 (Figure 9.2). Almost all of these national plans and strategies include prominent references to the 1992 Earth Summit and *Agenda 21*’s admonition to develop national sustainable development strategies. Many of the European strategies additionally refer to the Fifth Environmental Action Programme of the European Union.



Source: Busch and Jörgens (2003).

Figure 9.2 Spread of green plans and sustainable development strategies in the OECD

Although these references cannot be interpreted as proof of a causal relationship, they at least indicate strong and high-level awareness among national policymakers of the international dynamics that have evolved around the issue of sustainable development strategies.

The above examples as well as the pattern of spread illustrated in Figure 9.2 thus strongly suggest that cross-national diffusion has played a significant role for the dispersion of green plans and sustainable development strategies throughout the OECD. Moreover, they shed light on the specific pathways through which diffusion occurs. Diffusion can, however, only explain one – albeit a significant – part of the international emergence of strategic environmental planning. On the one hand, some of the national approaches have clearly been primarily triggered by national problem pressures and unique political developments at the domestic level, as, for example, the UK White Paper from 1990 on ‘This Common Inheritance’ (Wilkinson 1997), or the French Green Plan of the same year.

On the other hand, in the course of the 1990s, a gradual shift of the dominant governance mechanism regarding the promotion of national sustainable development strategies in industrialized countries from diffusion to soft harmonization can be observed. The recommendation of *Agenda 21* that all nations adopt a sustainable development strategy was an initial – albeit very general – initiative to coordinate the manner through which sustainable development was to be implemented domestically. In 1997 the General Assembly of the UN reaffirmed and strengthened this claim at their 19th Special Session (the so-called ‘Earth Summit plus 5’) by setting a definite deadline, the year 2002, for the completion of the national sustainable development strategies (UN 1997). While UN declarations and action programmes as well as General Assembly resolutions do not constitute binding international law in a strict sense, both *Agenda 21* and the 1997 resolution contain supervisory mechanisms that are characteristic of so-called ‘hard law’. In 1992, following the Earth Summit, the Commission on Sustainable Development was created as a supervisory organ to oversee the implementation of *Agenda 21*. Five years later, in 1997, the UN General Assembly concluded that all nations were to present their sustainable development strategies at the 2002 World Summit on Sustainable Development in Johannesburg – thus creating a public venue where non-compliance by any country would be widely visible to other states as well as a wide range of domestic and international NGOs. It can be argued, therefore, that in the course of the 1990s, and especially since 1997, ‘soft law’ harmonization has increasingly become a dominant mechanism of global governance for sustainable development.

This shift towards ‘soft’ harmonization became possible, among other reasons, because by 1997, roughly 120 countries throughout the world had already adopted some form of national environmental or sustainable development strategy (see Figure 9.1). Thus, by 1997 a point had been reached where

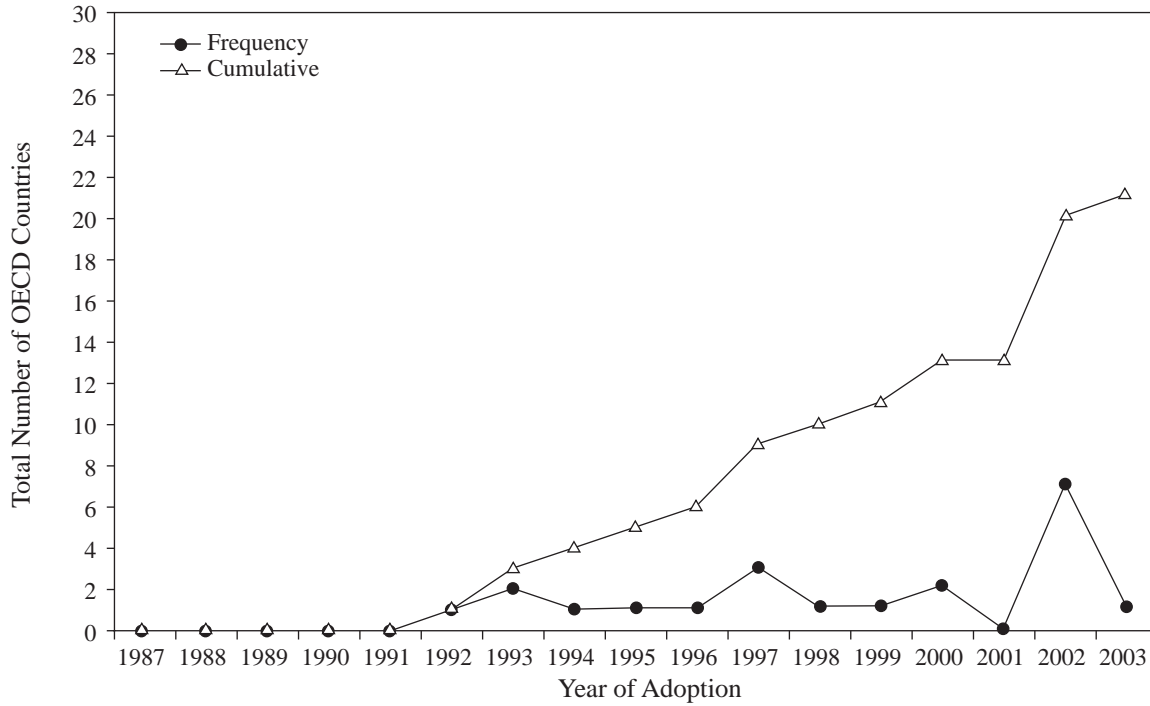
it would have been difficult for any single country to openly refuse to adopt a national programme for sustainable development or to oppose a corresponding decision within the United Nations. The rapid diffusion of this policy innovation throughout most of the 1990s thus paved the way for subsequent legal harmonization.

But what were the broader effects of this change of governance mode? First of all it can be observed that after 1997 the spread of green plans and sustainable development strategies did not accelerate. Compared to the dynamic period from 1994 to 1997, the rate of national adoptions clearly decreased after 1997. If we take into account, however, the fact that approximately three-quarters of the OECD countries had already introduced a national strategy by the year 1997, and that in some of the remaining countries such a step was being openly debated,<sup>24</sup> it is doubtful that the decreasing rates of adoption are causally related to the shift towards legal harmonization.

The picture of a general slowdown of the spread of environmental strategies in the late 1990s fades even more if one differentiates between environmental policy plans and sustainable development strategies and focuses on the international spread of the latter, more comprehensive, approach to strategic planning.<sup>25</sup> Altogether, since 1997, 15 out of 29 OECD countries have formally adopted a national strategy for sustainable development (Figure 9.3). Three more countries – the Netherlands, Portugal and Spain – have presented a complete draft strategy together with a plan to officially adopt their sustainable development strategies by 2004. Hungary has only recently started preparing a strategy, which is to be completed in 2004. Only four OECD countries – Mexico, New Zealand, Turkey and the USA – have not yet adopted a national sustainable development strategy or announced its publication for the near future.

What is even more striking than the rapid spread of these strategies, however, is the fact that roughly one-third of all OECD countries – ten out of 29 – have either formally adopted their strategy or presented a complete draft in the year 2002, the year agreed by the UN General Assembly as the official deadline for compliance. All of these more recent strategies and most of the earlier ones make a clear reference to *Agenda 21* and to the 1997 decision of the UN General Assembly as important external stimuli.<sup>26</sup>

In sum, the analysis of the spread of green plans and sustainable development strategies in OECD countries shows that while in the first phase from the late 1980s to the second half of the 1990s diffusion was the dominant mechanism of global governance for sustainable development, in 1997 this mechanism was complemented by a process of ‘soft’ harmonization of national sustainable development processes. Since roughly three-quarters of all OECD countries had already adopted a green plan or sustainable development strategy at the time of the UN decision, the overall spread of these programmes did



Source: Busch and Jörgens (2003).

Figure 9.3 Spread of sustainable development strategies in the OECD

not accelerate in response to the shifting mode of governance. However, a distinction between green plans and sustainable development strategies reveals that, especially in the year 2002, there has been a rapid spread of the latter, which can only be explained by the harmonizing power of the resolution adopted by the UN General Assembly in 1997 and the substantial pressure placed upon countries by the requirement to present their national strategies at the 2002 World Summit on Sustainable Development.

### **National Action Plans and Strategies in Developing and Transitional Countries: Imposition Through Economic and Political Conditionality**

The active propagation of the policy innovation by international organizations such as the UN or the OECD; the existence of a model strategy that is sufficiently general to fit different national contexts; the growth of transnational communication networks to spread information on this policy innovation; and the adoption of a formal obligation for countries to develop a strategy by 2002 – all were factors that applied not only to OECD countries, but also to the developing countries of Africa and Latin America and to the transitional countries of Central and Eastern Europe. However, the dominant governance mechanism for implementing sustainable development at the national level in developing and transitional countries was neither diffusion nor harmonization, but imposition. More precisely, economic conditionality was the principal mechanism through which the global goal of *Agenda 21*, stipulating that all countries should adopt a national strategy for sustainable development, was implemented in these countries. And international organizations were the main actors pushing developing countries to prepare environmental and sustainable development strategies.

The single most important actor in this respect has been the World Bank. In 1987 the bank started to support national environmental action plans (NEAPs) – national planning processes to ‘describe the basic environmental situation of a country, identify the principal causes of environmental problems and draft a strategy by which to tackle prioritized problems’ (Heidbrink and Paulus 2000: 16) – in Madagascar, Lesotho, Mauritius and the Seychelles. In 1990, the International Development Assistance (IDA), a World Bank affiliate that provides low-interest loans to the world’s poorest countries, started urging its borrowers on a more general basis to develop national environmental action plans. Finally, this approach was formalized in 1992 when the World Bank adopted its Operational Directive OD 4.02 on Environmental Action Plans. By making NEAPs a *necessary precondition* for gaining access to funding, this operational directive effectively made this type of environmental strategy mandatory for IDA countries (Heidbrink and Paulus 2000: 19). For other countries, the World Bank strongly recommended that they elaborate NEAPs.

Besides being a precondition for external financial aid in general, NEAPs also pointed out specific environmental projects that could be financed by external donors.

The preparation of national environmental action plans in all IDA borrowing countries and in most other developing countries throughout the 1990s was, therefore, mainly driven by external imposition through economic conditionality. Without this external pressure the number of countries voluntarily preparing national environmental strategies would certainly have been much smaller. The example of national conservation strategies – which since the early 1980s were technically and financially supported by the International Union for the Conservation of Nature (IUCN) in cooperation with the UN Development Programme (UNEP) and the World Wide Fund for Nature (WWF), and, which can be regarded as an early predecessor of NEAPs – shows that also in the absence of economic coercion, the willingness and capacity of governments in developing countries to prepare national environmental strategies depends strongly on external initiative and funding.

In Central and Eastern Europe (CEE) and in the New Independent States (NIS) that emerged from the former Soviet Union, international organizations were also the main driving forces behind the preparation of national environmental strategies. Besides the World Bank, which was the main supporter of the development of national environmental action plans in the New Independent States, the UN Economic Commission for Europe (UNECE) and the OECD played a major role for the proliferation of strategic environmental planning in this region. Since 1991, environment ministers of UNECE member countries have regularly met at high-level conferences under the title ‘Environment for Europe’. At the second meeting in Lucerne, Switzerland (1993) the Environmental Action Programme for Central and Eastern Europe (EAP) was endorsed, recommending that CEE countries and NIS ‘develop new environmental policies adapted to the emerging market economies and democratic societies’. Key characteristics of this approach were ‘priority-setting, cost-effective use of resources and a balance of policies, institutional and investment actions’ (OECD 1998: 6). Implementation of the EAP should occur, among other means, through the elaboration of national environmental action programmes and was to be coordinated by a special task force based at the OECD (Connolly and Gutner 2002; OECD 1998).

Within this special Eastern European setting the proliferation of national environmental action programmes occurred through a combination of bilateral imposition based on economic dependency and diffusion based on direct interaction of policymakers and the organized exchange of information on national best practices within a transnational network. This issue-specific network of coordinators of national environmental action programmes was established under the EAP Task Force. It ‘brought together national environmental officials

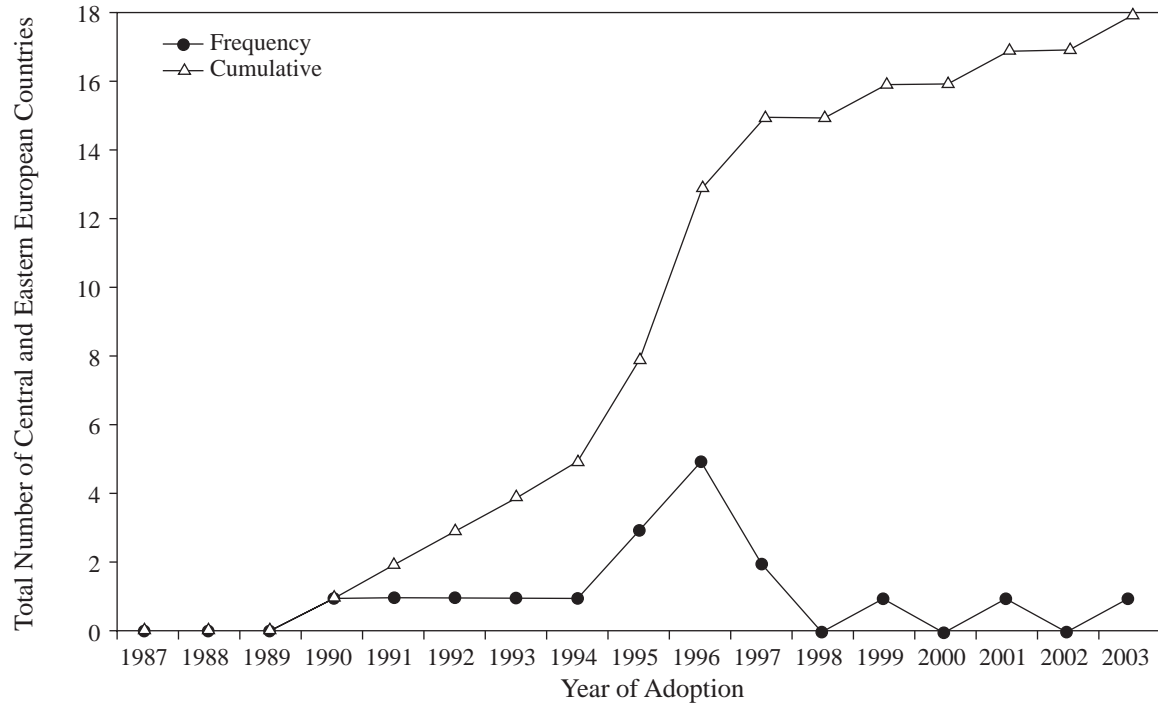


from all CEECs and the NIS who had the primary responsibility for developing environmental policies and preparing NEAPs. The main function of the Network was to support a mutual effort in “learning by doing” – exchanging experience, identifying “best practices”, and stimulating cooperation and support among network members’ (OECD 1998: 20). At the same time within this network, ‘various bilateral and multilateral agencies provided support for the development of NEAPs in some countries’ (OECD 1998: 20) resulting in NEAPs ‘being implemented throughout CEE, primarily at the direct instigation of aid donors who have insisted on such planning exercises as a necessary prerequisite to cost-effective environmental investments’ (Connolly and Gutner 2002).

Between 1991 and 1999, 16 out of 18 Central and Eastern European countries adopted a national environmental action plan, and by 2003, all CEE states possessed such a strategy (Figure 9.4). In the New Independent States the elaboration of NEAPs started later than in the CEE countries, but has developed at a similar pace in the late 1990s, mainly due to World Bank support (OECD 1998: 49).

At first glance the fast proliferation of environmental action plans and programmes in developing and transitional countries seems to suggest that economic conditionality, combined with the coordinated dissemination of guidelines and information on best practices, constitutes a mechanism of global governance that is comparable to the voluntary diffusion or the negotiated harmonization of national policies. This picture changes, however, if one takes a look at the elaboration of more comprehensive strategies for sustainable development, which go beyond the narrow field of environmental policy, and, which explicitly include goals and measures in the social and economic sphere. While in the OECD almost all countries followed the formal obligation of *Agenda 21* and the UN General Assembly to adopt such a strategy by the year 2002, compliance in the group of CEE countries and New Independent States has been much weaker, with only ten out of 18 countries having adopted a sustainable development strategy by then (Figure 9.5). Almost half the countries of Central and Eastern Europe as well as the overwhelming majority of the developing countries have, therefore, not been able to move from the adoption of an environmental action plan – which constitutes merely a first, far from sufficient, step in the process of implementing sustainable development domestically – to the development of a comprehensive national strategy of sustainable development, which better takes into account the interdependencies between environmental, social and economic goals.

This striking difference between the group of industrialized countries, which overall has successfully established the strategic framework for implementing both the ecological core of sustainable development and its broader social and economic implications, and the group of transitional and developing countries,



Source: Busch and Jörgens (2003).

Figure 9.4 Spread of NEAPs in Central and Eastern Europe

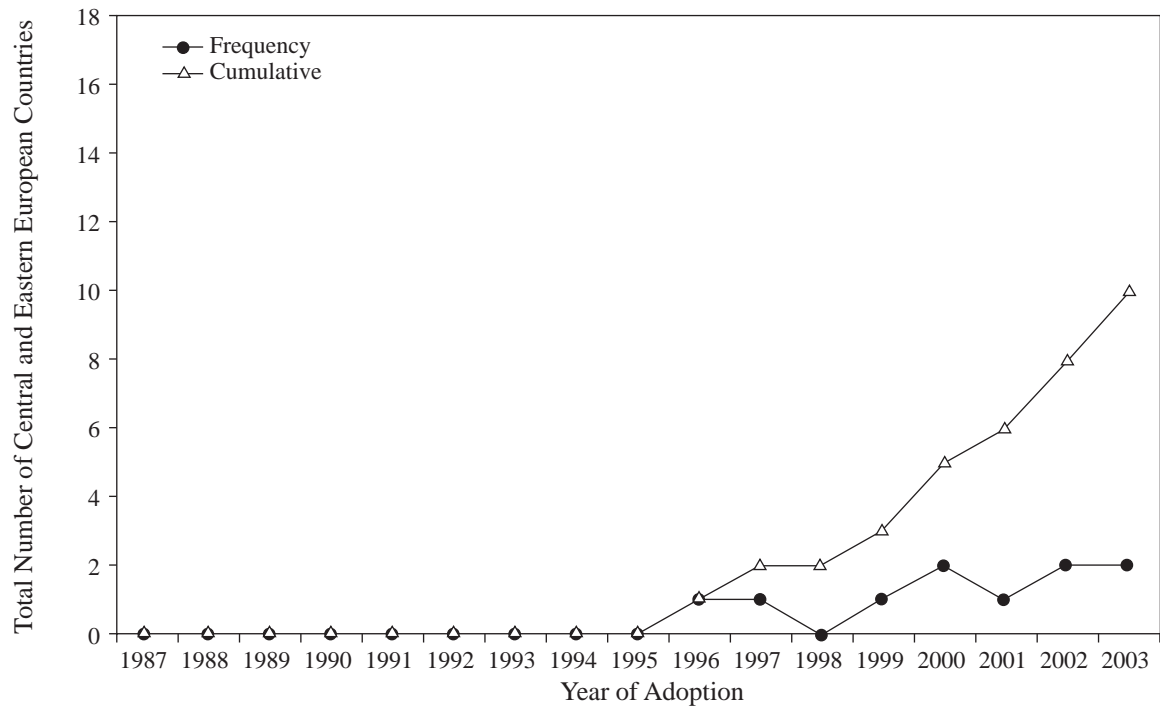
which in their large majority have not been able to move beyond the adoption of rather narrow national environmental action programmes, can be explained by a combination of two factors: (1) the governance mechanism through which the global norm of sustainable development has been transported to the national level; and (2) the domestic political and institutional capacities for its actual implementation.

Contrary to the other modes of global governance – harmonization and diffusion – imposition through economic conditionality leaves little choice for the target countries to set their own political priorities based on their national political, administrative and scientific capacities. In developing and transitional countries, where the domestic capacities for implementing sustainable development are limited, the external imposition of national environmental action plans has absorbed most of these capacities. In fact, a closer look into the national reports prepared for the 2002 World Summit on Sustainable Development in Johannesburg by Central and Eastern European countries and the NIS reveals that many of these countries explain their failure to elaborate a national sustainable development strategy with their lack of capacity to engage in different processes of reporting and strategy formulation at the same time.<sup>27</sup> While most industrialized countries and the European Union hold sufficient capacity to engage in successive or overlapping planning processes, many Eastern European and most developing countries concentrated their scarce financial, administrative and technical capacities on fulfilling the requirements imposed by multilateral or bilateral donor organizations and subsequently failed to fulfil their international legal commitments.

## CONCLUSIONS

The analysis of the worldwide proliferation of green plans and sustainable development strategies shows that diffusion is an essential component of global governance for sustainable development. As a mechanism of global governance, diffusion is analytically distinct from harmonization and imposition. While each of these three mechanisms by itself is an important source of order in world politics, it is the interaction of the three mechanisms that is most interesting from a policy analysis point of view. The case study of green plans and sustainable development strategies illustrates this interaction and shows how the different governance mechanisms can both strengthen or obstruct each other.

In the early phases of global regulation of an issue area, diffusion can play an important role in the process of agenda-setting. Especially in those issue areas where international harmonization is difficult to reach – that is, in almost every case of regulatory or redistributive intervention restricting economic



Source: Busch and Jörgens (2003).

Figure 9.5 Spread of sustainable development strategies in Central and Eastern Europe

activity or any other type of individual or collective behaviour – processes of loosely coordinated cross-national imitation and learning can gradually build up a critical mass of proponents, increase acceptance in the more reluctant countries, and thus pave the way for subsequent legal harmonization. As the example of green plans and sustainable development strategies shows, diffusion can also significantly increase the legitimacy of a global norm, thus making it nearly impossible for any modern and ‘civilized’ state to openly oppose it.

However, once harmonization is reached, imitation and learning do not simply stop. Rather, once a legal agreement has been reached, the dissemination of information on model policies and examples of international best practice within transnational networks and the emulation of these models by individual countries can be seen as an important vehicle for the implementation of the agreement. As the case study clearly demonstrates, the mechanisms of diffusion and harmonization regularly interact with each other, leading to a process of mutual re-enforcement. In this combined governance mode, where diffusion and harmonization interact in a specific way, harmonization determines the general direction of domestic policy change, while diffusion has an important impact on the speed and the distinctive details of national implementation.

One major lesson that can be drawn from this case study is, therefore, that the creation of favourable conditions for policy diffusion is an essential, but often underestimated, aspect of effective global governance. Contrary to the negotiation of international treaties and agreements, the improvement of the infrastructure for diffusion can be carried out unilaterally or within a small group of pioneer countries and international organizations. The creation of the International Network of Green Planners by a group of Dutch and Canadian policymakers, or the inclusion of green plans as a criterion for evaluation in the OECD Environmental Performance Reviews series, can serve as examples.

Contrary to harmonization and diffusion, imposition depends primarily on asymmetric power relationships. As a mechanism of global governance, it mainly serves to force developing countries to implement an international norm that they presumably would not have adopted voluntarily or voted for in international negotiations. While imposition is generally very effective in determining domestic policy outputs, the comparison of the proliferation of NEAPs and sustainable development strategies in Eastern Europe and in the developing countries shows that, ultimately, national capacities are a decisive constraint for the domestic implementation of global norms, and that governance by imposition, more than any other form of global governance, binds scarce national capacities and thus strongly restricts the policy options of developing countries. If too many national capacities are bound by hard

conditionality, this obstructs the diffusion of new policy innovations, which may be more effective or more problem-adequate than those transported to the national level by processes of imposition.

Moreover, as the case study demonstrates, imposition by economic conditionality has more immediate effects than processes of 'soft' international harmonization. In cases where processes of imposition and harmonization pursue divergent goals, countries with scarce domestic capacities will most likely implement those imposed by economic conditionality at the expense of those goals that had been jointly agreed upon in multilateral negotiations.

Effective governance for sustainable development must, therefore, take into account the various interactions between all three mechanisms of global governance. While the analysis presented here highlights the importance of the unilateral development of policy models by pioneering states or international organizations and the creation of favourable conditions for policy diffusion, thus paving the way for subsequent processes of international harmonization, it also cautions against an excessive and uncoordinated imposition of foreign models on developing countries that are constrained by their limited administrative, financial, scientific and technical capacities.

## NOTES

- \* This chapter draws on insights from the research project 'The diffusion of environmental policy innovations as an aspect of the globalization of environmental policy' conducted at the Environmental Policy Research Centre of the Free University Berlin and financed by the German Volkswagen Foundation. Some of the central ideas were presented at the 43rd annual convention of the International Studies Association, 23–27 March 2002, in New Orleans, Louisiana. The author especially wishes to thank William Lafferty and Per-Olof Busch, whose detailed and constructive comments have helped him to clarify his thoughts on this subject. My thanks also go to Susana Aguilar Fernández, Manfred Binder, Klaus Jacob, Martin Jänicke, James Meadowcroft, Sandor Ragaly, Miranda Schreurs and Kerstin Tews for valuable comments on earlier versions of this chapter.
- 1. According to the standard definition of the Brundtland Commission, 'sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (WCED 1987: 43). See, however, the discussion of this definition in the Introductory chapter to the present volume.
- 2. Although an early predecessor of sustainable development can be found in the physical concept of 'sustainability' as traditionally used in German forestry, this older idea was concerned only with the maintainability of natural resources and lacked the dimensions of human welfare and social equity introduced by the Brundtland Report (Lafferty 1996).
- 3. For a systematic distinction of regulative, constitutive and prescriptive norms, see Finnemore and Sikkink (1998: 251–2).
- 4. For a systematic analysis of early national efforts to implement sustainable development, see Lafferty and Meadowcroft (2000) as well as the five case studies in OECD (2002).
- 5. This 'top-down' perspective fits well into an emerging theoretical and empirical literature in international relations and Europeanization studies, which focuses on the domestic effects of international norms and institutions (Martin and Simmons 1998) or asks how 'European integration and Europeanization . . . affect domestic policies, politics, and polities of the member states and beyond?' (Börzel and Risse 2003).

6. On the importance of non-state actors in international politics, see for example Keck and Sikkink (1998) and Risse-Kappen (1995).
7. This is Krasner's classical definition of international regimes as 'sets of implicit or explicit principles, norms, rules, and decision-making procedures around which actors' expectations converge in a given area of international relations' (Krasner 1983: 2).
8. Obligation is understood in a formal sense. It 'means that states or other actors are bound by a rule or commitment or by a set of rules or commitments' (Abbott et al. 2000: 401).
9. The term 'policymakers' refers to a 'heterogeneous collection of officials and organizations concerned with one or more policy areas' (Rose 1993: 52).
10. Research on international regimes or international institutions more broadly has for long been central to the study of international relations (Simmons and Martin 2002). In the environmental field recent systematic studies on regime effectiveness and compliance with multilateral agreements in the environmental field include Brown Weiss and Jacobson (2000), Haas et al. (1993) and Miles et al. (2001). Reviews of the literature can be found, for example, in Hasenclever et al. (1997, 2000) and Levy et al. (1995). Unilateral imposition or coercive transfer of norms, rules and procedures has been critically analysed in the literature on conditionality in development assistance. More recently, the role of environmental conditionality in development aid politics has been systematically explored (see several of the contributions in Keohane and Levy 1996). Phenomena of unilateral imposition have also been studied in relation to the process of Eastern Enlargement of the European Union and the conditions that Central and Eastern European countries have to fulfil before being granted EU membership (see, for example, Grabbe 2002; Tews 2002, 2003).
11. The idea that diffusion could be understood as a governance mechanism in its own right was first expressed by Kristine Kern (2000: 249). Subsequent diffusion studies in the environmental field have repeated this claim (Jørgens 2001: 124–5; Kern et al. 2001: 3–4; Tews and Busch 2002), but to date no comprehensive and systematic effort has been made to theorize diffusion as a distinct mechanism of global governance and to explore its relationship and interaction with other governance mechanisms.
12. Normally, international accords only come into force after having been ratified by a predefined amount of signatory states. Similarly for individual states they only become effective after these states have ratified the treaty.
13. Note that the degree of obligation is not a measure of effectiveness. The growing concern about EU directives, which in spite of being characterized by a high level of obligation, are often not implemented properly by the member states, illustrates this.
14. This does not mean that the use of military force plays no role in the fight for scarce natural resources.
15. Note that 'diffusion', as the term is used in this chapter, is not identical with the broader notions of 'spread' or 'proliferation'. Diffusion, understood as the non-compulsory use of foreign exemplars in domestic policymaking, is only one possible cause of the international spread of policy innovations. Other important causes that are identified in this chapter include harmonization and imposition, but also individual national problem pressures such as environmental degradation.
16. Presumably it is this decentralized character, where patterns of global governance are not intentionally produced within international institutions or by powerful nation-states but emerge gradually from a succession of individual actions, which has caused a general reluctance on the part of many scholars to conceive of diffusion as a governance mechanism in its own right.
17. Although in practice there may be some overlap, analytically it differs from problem-oriented harmonization in that the problems at issue are perceived to be domestic rather than transboundary.
18. Finnemore and Sikkink speak of a 'critical mass' of countries (Finnemore and Sikkink 1998). See also Kern et al. 2001: 10–11.
19. For a detailed account of the effects of these factors on the diffusion of environmental policy innovations see Kern et al. (2001) and Tews et al. (2003).
20. The terms Howlett (2000) uses are 'harmonization', 'domination' and 'emulation'. Bennett (1991) originally had distinguished four international causes of policy convergence: 'emulation', 'harmonization', 'elite networking', and 'penetration'.

21. Keohane (1984), Martin and Simmons (1998), Simmons and Martin (2002).
22. For a recent and differentiated application of the neo-realist paradigm with regard to global governance, see Drezner (2001b).
23. See, for example, Checkel (1999), Finnemore (1996), Risse et al. (1999), and – within sociology – Meyer et al. (1997).
24. For a contribution to the German debate on the formulation of a national environmental policy plan, see Jänicke et al. (1997).
25. From the late 1980s until the second half of the 1990s the formulation of environmental policy plans was the dominant approach to implementing sustainable development domestically. Sustainable development was mainly understood by policymakers in the sense of ‘ecologically’ sustainable development. This understanding of sustainable development gradually changed in the late 1990s and the early 2000s to include economic and social goals on an equal footing. As a result, comprehensive sustainable development strategies increasingly replaced the more environmentally focused green plans as the prevalent measure for implementing *Agenda 21*. In the course of this redefinition of sustainable development, many countries that already had a national green plan in place began to engage in a parallel process of formulating a sustainable development strategy (examples are Denmark, France, Austria, Portugal and the Netherlands).
26. This overwhelming compliance with non-binding international ‘soft law’ also makes a strong case for managerial explanations of compliance with international agreements that argue that states possess an inherent motivation to act in accordance with norms that they have voluntarily agreed to and that this motivation can be strengthened by non-coercive tools such as monitoring or reporting (Brown Weiss and Jacobson 2000; Chayes and Chayes 1993).
27. The national reports to the World Summit on Sustainable Development can be found on the Internet under: [http://www.johannesburgsummit.org/html/prep\\_process/natlassetsrep.html](http://www.johannesburgsummit.org/html/prep_process/natlassetsrep.html); and <http://www.earthsummit2002.org/es/national-resources/nssd.htm>.

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# 10. Implementing sustainable development: how to know what works, where, when and how

**Hans T.A. Bressers**

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## INTRODUCTION

In May 2000, the city of Enschede in the Netherlands got the sort of world-wide attention one would prefer to do without when a fireworks trade centre blew up, destroying an entire district. The blast caused an incredibly small, but nevertheless sorrowful, death toll of 21 people; injuring more than a thousand and giving tens of thousands the shock of their lifetime, shivering glass windows throughout the crowded city centre. In a single blow it destroyed hundreds of houses and dozens of companies, leaving thousands of other buildings lightly to severely damaged. The national media response focused largely on looking for scapegoats. An alternative approach, however, would be to simply view the event as a reflection of failed policy implementation in the Netherlands.

### **Policy Implementation as a Key Condition for Sustainable Development**

In this chapter, a theory of the implementation of policy instruments is presented, illustrated and used to analyse the implementation structure of one of the main new policy strategies for sustainable development. 'Implementation' means here the process(es) that concern the application of relevant policy instruments. Such processes can, of course, work as intended. But it is also highly possible that application is hindered, delayed or even prevented during the process.

Why raise this issue with respect to the achievement of sustainable development? Is not a focus on instrumental functionality too narrow for the broad and complex goals of the sustainability challenge?

As indicated in the Introduction to the present volume, governance for sustainable development appears to require highly interactive and cooperative mechanisms; the overcoming of value dilemmas; the building of international

institutions; local empowerment; new partnerships between public and private decision-makers, and between them and NGOs – etc, etc. In this context, a discussion of the effectiveness of policy instruments may seem both overly narrow and – in the more general context of policy analysis – ‘traditional’. The purpose of the chapter is to argue that this is definitely not the case. On the contrary, the argument is that such a discussion goes to the very core of the governance discussion.

It is a central theme of the present volume that sustainable development is in many respects a ‘different’ policy challenge. As outlined elsewhere (Bressers and Rosenbaum 2000: 532–6) the key challenges of sustainable development as a public (societal and policy-related) objective are threefold. *Normatively*, since the legitimacy of the policies and societal changes is insecure, given that ecological rationality differs in many respects from the rationalities that have been accepted and even combined (Lafferty 1996; Dryzek 1987, 1997), and thus must be driven by considerable idealism (Lafferty, Introduction, this volume). *Cognitively*, because the nature of environmental problems and attempts to remedy are notoriously ‘plagued with uncertainties’ (Bressers and Rosenbaum 2000). With sustainable development, this problem is compounded by the purported ‘outside-in’ nature of the programme. Finally, there is the challenge of mobilising the *capacity and power resources* necessary to the breadth and depth of the SD goal – the sheer magnitude and long time horizon of the changes implied. The present chapter is principally addressed to this last challenge.

Most of the debates related to the ‘steering capacity’ of sustainable development fail to address the core problem of the ‘implementability’ of policy instruments. Nearly all attention goes instead to the promotion and discussion of new modes of steering. Negotiated agreements between governments and organised target groups; visionary green planning giving society an outlook to the future; ‘transition management’ for systemic innovation; joint ‘target-seeking’ learning processes, implying giving up government’s position as principal or even ‘principal among equals’; the integration of science into the policy-making process; trans-sectoral policy integration; new modes of participation and interest aggregation – all indicate how the discourse on sustainable development governance has been dominated by a search for *new and innovative* steering mechanisms – all for good reasons and with interesting results.

Many of the new strategies set out, reasonably enough, to change values and cognitions. When profound changes are needed, modifying symptoms will often be ultimately counterproductive, as deeper causal factors will ‘fill up’ any space created by them. ‘Getting to the roots’ is an inevitable part of any adequate strategy.

Looking more closely at these approaches, however, a conclusion emerges that is similar to that made by Lennart Lundqvist in his analysis, in the present

volume, of ‘management by objectives’. Namely, that while an approach is innovative and promising, or even empirically proven helpful, there will always be a need for follow-up whereby the results of the transformation are converted into individual requirements and protected against an erosion of the newly established collective will. Such a follow-through in practice needs clarification of what actually ‘works’, and how?

Most of the new approaches prove, moreover, on closer inspection to rely, in one way or another, on well-known policy ‘tools’. In a wide variety of combinations, established devices – such as subsidies with preconditions; information and advice; contracts; translations of sector agreements into permit conditions; rights for the public to appeal against decisions in court or to get sensitive information; fees and tax reforms; monitoring and sanctioning of free-rider deviations – fill out and underpin the new steering approaches (cf. OECD 2001: 127–51). Also, in those cases where implementation is more in the hands of target groups themselves, the seemingly new methods can often be broken down into the more traditional policy instruments. Since all new strategies depend on iterative or continuous processes, initial good prospects are vulnerable without effective methods of behavioural change that translate commitments and agreements into individual responsibilities and watch-guard compliance against future reversals.

In sum, part of the ‘differentness’ of sustainable development as a societal and policy goal is a functional dependency on increased ‘steering capacity’, at a time when steering capacity is increasingly regarded as weak and scattered. The debate on steering capacity for sustainable development focuses largely on new and more interdependent alternatives; a prospect that will be delusive if it is not recognised that these modes of coordination, and the robustness of the effects they are designed to achieve, are highly dependent on the elemental processes that have been at the core of the policy debate for decades. It is vital, therefore, that one pursues a more fundamental discourse of instrumental effectiveness, at the same time that one searches for new methods of implementation.

### **An Understanding of Policy Implementation Requires New Theory**

In policy studies, the differentiation between policy-making and policy implementation has been gradually played down, probably – according to O’Toole in the present volume – too far down. Also, within Dutch environmental policy analysis, there has been a growing concentration on innovative ways of joint (‘interactive’) modes of policy-making, particularly with reference to target populations. It’s almost as though the lessons from empirical studies in the 1970s and 1980s, revealing the implementation phase as the real bottleneck for achieving change, have been forgotten. ‘Political will’ and ‘target group commitment’ seem to have taken their place. As recently pointed out by O’Toole



(2000), however, even though implementation studies constitute a dwindling portion of policy research, many of the current approaches actually imply, directly or indirectly, a better understanding of implementation processes.

One such approach (pursued by the present author and colleagues over a number of years) is a deductive variant of instrumental theory. The approach has gone through a number of different phases, with the current approach being labelled 'Contextual Interaction Theory' (CIT). The approach was initially labelled (and widely reported as) 'Instrumentation Theory', mainly because it was developed to enable better comparisons between alternative instrumentation strategies. One of its basic assumptions is that the operation of policy instruments cannot be seen in isolation from the circumstances in which they are applied. The theory focuses, therefore, on actors and their interaction processes within the implementation problematic. The characteristics of the policy instruments to be employed are dealt with themselves as part of the context of the implementation process that influences the actors involved and hence their interactions.

The approach has its point of departure in Bressers (1983a), and has been further developed through numerous meta-evaluations of Dutch environmental policies over the years.<sup>1</sup>

The following section begins with an elucidation of the conceptual premises of the approach. This is followed by a formulation of the basic elements of the theory, including two specific 'models' (Figures 10.1 and 10.2). The theory is then applied to case-study data from the Netherlands, including one of the main innovative strategies to achieve sustainable development in a Western country: the Dutch target group approach with its negotiated agreements.

## FUNDAMENTALS FOR A 'CONTEXTUAL INTERACTION THEORY'<sup>2</sup>

This section presents some of the core elements of Contextual Interaction Theory, with an emphasis on its guiding assumptions and overall deductive logic. For present purposes derivations of the detailed propositions are omitted. Also avoided, of necessity, is elaboration of variants of the approach that are crafted to deal with more complex settings.<sup>3</sup>

### **A Theoretical Focus on Policy Implementation**

The process orientation of the theory draws attention to the division between sub-processes within the overall policy process. Why, in this context, does 'policy implementation' deserve a separate theoretical treatment?

The classical ‘stages’ model of the policy cycle raises the question of the extent to which such apparently sequenced sub-processes are analytically discernible constructs and whether they can be identified in real life (DeLeon 1999). Often, a policy programme envisages application at a ‘lower’ level of government, identifying this as ‘implementation stage’ of the policy. But what does the labelling of sub-processes mean for the successive involvement and action of many administrative levels in complex policy systems? In European climate policy, for example, there are global, EU, national and in many instances, provincial and local levels. What appears as policy implementation for one level may be thought of as an aspect of policy *formation* for the next level, and so on down the chain. How in this perspective can, and should, the implementation ‘stage’ be distinctly understood as a crucial element of overall goal attainment?

In principle it is argued here that it is fruitful to make an analytic distinction between the ‘policy formation’ and ‘policy implementation’ processes. ‘Policy formation’ indicates those processes that involve the conversion of diffuse inputs into a more focused output; while ‘policy implementation’ indicates processes that involve turning a more or less focused input (the ‘policy’) into a number of diffuse outputs. The conclusion, therefore, is that there are systematic features of the policy implementation process – namely the institutional and resource context of the policy instruments to be employed. Thus, it is quite possible that, in a ‘chain’ of successive ‘real-life’ processes – each following, for example, at a ‘lower’ (more limited) scale of responsibility and action – more than one process would be labelled and analysed as an ‘implementation process’.

### **The Need for a More Deductive Approach**

A second characteristic of the theory is that it is ‘deductive’ in nature. What reasons compel a shift in this direction to better understand the policy process?

Many implementation studies set out to not only identify policy outputs, but also to explain them. These explanations vary from case to case, and the relevant scholarship has produced a vast array of factors. The policy may have stranded because ‘the municipalities responsible for implementation were not sufficiently motivated’; because ‘there were staff shortages’; ‘the guidelines arrived late’; ‘the applicants did not understand the subsidy arrangements’; ‘there was insufficient support in society’; ‘the statements of the Under Secretary spread confusion in the media’, and so forth.

There are two clear disadvantages to such ad hoc explanations. First, although they surely contain some degree of truth, they rarely tell a complete, or even sufficient, story. Typically, the identified factor(s) exert influence in combination with other factors which, in and of themselves, need not

adversely affect implementation. For instance, a lack of motivation on the part of the municipal managers to implement a policy is only a decisive factor if the managers in question enjoy a large degree of discretion over the initiative to be performed. Lack of such discretion need not in itself, however, prevent effective implementation. Relying on ad hoc explanations thus tends to support recommendations that are more like ‘proverbs’ than anything else.

Second, ad hoc explanations do not engender cumulative knowledge about factors that influence policy implementation. The point is not that they cannot be true for the cases studied, but that each researcher might summarise and categorise them differently. The extant studies show little uniformity on this point, being based on different terms and levels of abstraction. As a result, information from new research often cannot be tested against predictions based on earlier research. It is possible, up to a point, to induce certain general factors from the concrete ones mentioned in the various studies (see Hoogerwerf 1977; cf. Sabatier and Mazmanian 1980; Mazmanian and Sabatier 1989), but the interactions between these general factors – the way in which they reinforce or weaken each other’s influence – is rarely taken into consideration. The goal of producing cumulative knowledge dictates, however, that theories with explanatory power are developed. Only then will constructive answers to the question of ‘what works, where, when and how?’ be provided.

It is, however, important, when developing deductive implementation theory, to avoid the bias of an implicitly ‘top-down’ assumption (see O’Toole, Ch. 2, this volume). Target group actors are not in the business of responding to implemented policies, but in the business of minding, and pursuing, their own business. Often, the incentives that are provided by new policies are perceived by such groups as merely a part – perhaps a small part – of the array of constraints and resources in their own environments of action; possibly something to reckon with, but not vital or compelling from their point of view (see Elmore 1979). The theory being advocated here takes this into account. On the one hand it is open to all kinds of contextual factors; but on the other it channels such factors through a limited number of ‘core variables’ that are used to build a deductive frame of analysis. In this way it openly aims to capture the best of two complementary worlds.

### **Interaction Processes and Contextual Interaction Theory**

Thinking in terms of policy processes suggests emphasising their character as social interaction processes. Doing so shifts attention from policy as a sort of production process, with semi-finished products and an ultimate end product, to a vision in which the actors participating in the process are the central concern. The basic assumption of Contextual Interaction Theory is thus that:

*the course and outcomes of the policy process depend not only on inputs (in this case the characteristics of the policy instruments), but more crucially on the characteristics of the actors involved, particularly their motivation, information, and power.* All other factors that influence the process do so because, and in so far as, they influence the characteristics of the actors involved. This point holds as well for the influence achieved by policy instruments. In this way the theory doesn't deny the value of a multiplicity of possible factors, but claims that theoretically their influence can best be understood by assessing their impact on the motivation, information and power of the actors involved.

The theory assumes that the policy implementation process is not only about achieving implementation, but also about attempts to prevent implementation or to change the character of what is implemented. The process involves activities and interactions between the responsible government officials and the members of the target group(s). Often the same actors already maintain contact with each other in connection with other matters. Moreover, government and target groups frequently exert influence on each other long before the policy that is to be implemented is introduced. The new policy does not replace this interactive process, but adds a new contextual element to it. An assessment of the possibility of the new instruments being applied, and *adequately* applied, requires, therefore, an initial insight into the factors determining the nature of the interactive process between government and target group. It is then possible to try to determine how these factors change due to the introduction of the new policy instruments (Bressers and Ringeling 1989, 1995).

### **Addressing Problems of Contingency and Complexity**

Another basic assumption of the theory is that the factors that influence the implementation process do not operate in isolation from each other (Mayntz 1983). The influence of the various factors cannot be simply added up. A factor that exercises a positive influence under certain circumstances may exercise no influence, or indeed a negative influence, under other circumstances. The way in which these processes develop must be explained, therefore, on the basis of combinations of the values of the various distinctive factors. Though this basic assumption is undoubtedly more realistic, and makes the theory more applicable for practitioners who always face the complete set of circumstances, rather than isolated ones; it also creates severe problems of complexity for theory formulation.

The theory aims to make this complexity 'manageable' by distinguishing two sets of independent variables. These are 'core circumstances' – the factors that have a direct influence on the development of the processes; and 'external circumstances' – the factors that have an indirect influence via their influence

on the core circumstances. The applied policy instruments can be included among these ‘external circumstances’, as with all other contextual factors. The theory indicates how the core circumstances jointly influence the development and results of a given process. External circumstances, including characteristics of the policy instruments that are to be employed, are taken into consideration when estimating the value of the core circumstances. In this way many contextual circumstances can be taken into account without increasing exponentially the complexity of the theory.

The aim is, therefore, to craft a theory that is both deductive and realistic. It aims to take into account the complexity of combinations of contextual circumstances, without being overwhelmed by the complications. The number of interactive settings remains limited as they are determined by a limited number of core variables. These are the motivation, information and sources of power of the actors involved. The deductive and predictive part of the theory is restricted to the relation between core variables and the dependent variables. The estimation of how the core variables are influenced by various types of external contextual variables is far more open and flexible

### **Motivation, Information and Power as ‘Core’ Variables**

Why are motivation, information and power the most useful characteristics? This has to do with the fact that implementation is a process of social interaction; and that these three perspectives have proved themselves to be exceptionally useful in explaining the dynamics of such processes. There are also long traditions of thinking in terms of one or more of these perspectives (Bressers 1983a: 325–8). Large bodies of literature can be viewed in relation to one or more of the three factors.

First, there is an elemental perspective inherent in any practical task. Making a chair, for example, requires that the carpenter has an object in mind (a goal that motivates); has the requisite knowledge of carpentry (information); and the necessary resources, such as tools and materials, to complete the task (power). In a multiple actor process the motivation also relates to the aspired position of the actor relative to other actors; information on the positions and circumstances of the other actors; as well as the basic distribution of resources and power among the actors (Bressers 1983a: 189–97).

By way of further illustration, the three variables can be related to ideas on policy instruments. Policy instruments are often classified as ‘rules’, ‘incentives’ and ‘communication’. This does not, in the author’s opinion, reflect different policy instruments as much as different ways in which they exert their influence. Regulations are not always couched in terms of compulsory rules but may also work by influencing the outcome of balancing the costs and benefits of alternative patterns of behaviour (incentives), and of ensuring

that attention is given to certain alternative forms of behaviour (communication). Subsidies are not only incentives, but are also linked to conditions (rules) and information (communication). Communication (certainly two-way communication) often leads to agreements being made, such as covenants or voluntary agreements (self-imposed rules) and to the exchange of concessions; for example an acceptance of change in exchange for flexible timing (incentives).

Rules, incentives and communication are, in other words, aspects of all policy instruments rather than separate groups of instruments. They can even be viewed as 'functions' that all policy instruments, in varying degrees, imply. The fact that many people still use this classification of instruments reflects that it is appealing, even though it is not very useful to analyse the efficacy of instruments. Within the CIT approach, this appeal is understood to be based on its connection with the three core variables thought necessary to understand social interaction processes. The three core variables – motivation, information and power – are thus not viewed as just a sample of factors from a population of equally important alternatives, but are actually seen as definitive actor characteristics for an understanding of social interaction processes.

## EXPLAINING IMPLEMENTATION WITH 'CONTEXTUAL INTERACTION THEORY'

### Two Aspects of Implementation

Implementation can be differentiated as to: (1) whether there is any implementation at all; and (2) whether the implementation is 'adequate' to the intent of the individual policy process.

Some envisaged implementation processes never really take hold at designated sub-levels, sectors or local sites, and some never really get started at all. This happens for example if, ten years after a permit system is introduced into law, only 25 per cent of companies covered by the legislation have applied for, and received, a permit – with the rest continuing on with 'business as usual'. (This was actually a case in the Netherlands in the 1980s.)

As for the adequacy of implementation, the notion is not used here in the judicial sense, but in the sense that the instrument being applied actually supports rather than weakens the intended policy incentives. Since implementation *can* proceed at the cost of weakening the intended incentives for the target group's behaviour (for example, by fully depleting the budget of a subsidy programme without checking the recipient's behaviour), it makes sense to give special attention to this aspect also.

## **The Likelihood of Initial Application**

The policy implementation process is typically characterised by the interactions between the government and the principal target group of the policy. The application of a certain policy instrument often takes up a less prominent place in this process than one would be led to expect on the basis of official procedures. The actual granting of permits to those members of the target group who are required to hold permits; the actual conclusion of sectoral negotiated agreements in the Dutch target group approach; the application of sanctions when regulations are violated – none of these can be taken for granted in the practical process. The first result of the implementation process can, therefore, be identified as the possibility or likelihood that the instrument will be applied at all. Sometimes this result may have the side-effect of undermining the credibility of the policy; most decidedly, of course, if the implementation fails to get off the ground. Below is a brief look at this first possibility with respect to the three core variables.

### **Motivation**

It is quite conceivable that not only the members of the target group but also the government body responsible for implementation attach little importance to the application of the instrument. Implementers have values and interests of their own, which may not coincide with the activities involved or even the policy as such. ‘Symbolic policy’ is a well-known phenomenon in many contexts: that is, policy that is not taken seriously by implementers (and is perhaps not meant to be) and that is not supported by a serious commitment of resources. So, the first group of factors that influences whether policy instruments are applied consists of the motivations of the authorities and target groups. To put it more specifically, the central question here is the degree to which the application of the instrument is perceived as contributing to the goals and interests of the actors involved.

### **Information**

The successful application of policy instruments also depends on whether those involved have sufficient information. The first question to ask in this connection is whether those responsible for the implementation actually know who the crucial target groups are. Do they know, for instance, which companies are obliged to have a permit or which ones qualify for a subsidy? And how well documented is the information available to the responsible implementers, so as, for example, to be able to take a serious position in negotiations on a covenant with the sector? Obversely, if the target group itself stands to gain from the application of the instrument – in the case of subsidies for example – then the amount and quality of information available to the members of the

target group will also help to increase the likelihood of application. Is the target group adequately informed, in other words, of the potential benefits for conforming to the intent of the instrument?

### **Power**

The third of the group of factors that influence the ‘take-off phase’ of the implementation process is the distribution of power between the authorities and the members of the target group. First of all, who is empowered to apply the instrument and how far does this power go? The formal power might rest exclusively with the authorities, but in some cases (subsidies for example) the instrument can only be applied at the request of the members of the target group. The target group then enjoys an extremely strong position if it is not in favour of the application of the instrument. Other forms of power may derive from formal sources (such as the opportunity to appeal against compliance) and informal sources (such as being dependent on another party for the achievement of other objectives). In most interaction processes informal sources of power may be highly important, and in many cases can balance the often more formal powers of the implementing authorities.

### **Types of Interaction**

The combination of the different variables influences the kind of interaction that will occur in the policy implementation process between government and other societal actors (typically the principal target group, since it has the greatest interest). The theory attempts to capture the variation here by making a distinction between three types of interaction: *cooperation* (active, passive or forced), *opposition*, and *joint learning*.

‘Active’ cooperation occurs when both parties share a common goal (remembering that the goal also can involve an attempt to hinder the application of the instrument). ‘Passive’ cooperation is when one of the parties adopts a relatively passive stance, which neither hinders nor stimulates the application of the policy instrument. ‘Forced’ cooperation is a form of passive cooperation that is imposed by a dominant actor. ‘Opposition’ occurs when one of the actors tries to prevent application by another actor; and ‘joint learning’ occurs when only a lack of information stands in the way of application. There are also situations in which there will be no interaction at all between the responsible authorities and the target group. In this case the possibility that the instrument will be applied is remote indeed.

The ‘likelihood of application’ aspect draws attention to a phenomenon that is often observed, but seldom taken as a separate focus of analysis: namely that under certain circumstances the policy implementation process doesn’t get ‘off the ground’ at all. It is important to point out, however, that many of the situations



Mi	Mt	I+	Pi	Sit.	Outcome	Process
+	+/0	+		1	++	Cooperation (O++ → active)
				2	-	Learning towards 1
		+	+	3	++	Cooperation (forced)
			0	4	+/-	Opposition
				5	-	Obstruction
				6	-	None/Learning → 3
0	+	+		7	++	Cooperation
				8	-	Learning towards 7
	0/-			9	-	None
	+	+	+	10	-	Obstruction
			0	11	=/-	Opposition
				12	++	Cooperation (forced)
				13	-	None/Learning → 12
	0/-			14	-	None

Mi = Motivation implementers viz. application  
 Mt = Motivation target group viz. application  
 I+ = Information for application of positive partner(s) (highest level)  
 Pi = Balance of power viewed from position implementer

Figure 10.1 The likelihood of application of a policy instrument under Contextual Interaction Theory

that underlie a negative ‘take-off’ prediction are not stable. In such cases a dynamic can occur whereby the original negative situation, develops into a more positive situation, which eventually does promote application.<sup>4</sup>

**A predictive ‘model’**

Figure 10.1 provides an overview of the circumstances in the implementation process and the types of interaction and results to be expected with respect to the likelihood for application of the instrument.

Each situation contains a configurational hypothesis. Situation 3, for example, can be interpreted as follows: If application of the instrument is perceived as positive by responsible implementing authorities (the ‘implementers’ for short), but not by those of the target group; and if the information of the implementers is sufficient, and their power position is dominant, then the predicted outcome is ‘forced cooperation’ and the likelihood of application will be ‘very high’.

**The Degree of Adequate Application**

The mere instigation of a policy instrument does not automatically lead to the envisaged change in the consequences of the behavioural alternatives of the

target group. The application may not be up to standard. Business environment plans to specify tasks under negotiated agreements may be less ambitious than originally intended, or permits may not specify restrictive regulations, or grants may not be accompanied by the intended conditions. When the model in Figure 10.1 predicts some likelihood of application, it thus becomes important to also analyse the degree of adequate application.

The degree of adequate application expresses to what extent the ‘incentive value’ of the instrument, or its ‘potential to influence the target group behaviour’, remains in tact during the implementation process. It does not, therefore, necessarily mean that all legal details are observed and prescriptions followed. Though, often, deviations from the formal specification will mean some decrease of ‘adequacy’ in the sense stipulated here, this need not be the case. If implementers, for example, only adapt to practicalities so as to improve the efficacy of the instrument, this should not be counted as ‘less adequate’ within the CIT framework. These sorts of adaptation guard, rather than disrupt, the intended role of the instrument in the causal model underlying the policy. Instead, it is even possible that the form of the instrument be changed somewhat to actually increase the originally intended ‘incentive value’. This could even be a source of positive dynamics when analysing the same process across a time interval, because the adaptation might (for example) serve to decrease the necessity for obtaining crucial information.

Empirical implementation research in the ‘bottom-up’ tradition has shown that deviations can actually be motivated by concern for goal attainment by the implementers. The dependent variable here is whether the impact of the instrument on the consequences of the behavioural alternatives of the target group is less far-reaching than originally envisaged by the policy-makers.

The core variables will, of course, take different values for predicting adequacy than for initial application. This is due largely to an increased degree of complexity. The members of the target group may well favour the application of a subsidy in itself, but oppose adequate application, as this would bind them to all sorts of regulations. Or, in another situation, the responsible authorities may have sufficient information to identify those members of the target group who require permits, but have insufficient information to know what regulations should and can be applied to the companies in question.

The second main difference is by definition. While the initial dependent variable covers the likelihood of initial application, the second presumes that application has been started, since it otherwise makes no sense to conduct an evaluation. That there will be some form of application denies the possibility of a complete breakdown of the process over ‘adequacy’ issues. This is not because one doesn’t see that this actually might happen in reality, but because such a result should be predicted by the initial aspect of implementation. For the theoretical analysis of this second aspect, this means that, even under

rather unfavourable conditions, one has to answer the question as to 'adequacy' related to what can be called the 'dynamics of a process without an exit'.

### **Types of Interaction**

The types of interaction that may occur at this next step in the process are to a certain extent different from those sketched above. This is because the degree of adequate application involves a much larger number of elements. The issue concerns, for instance, not only the question whether a company required to have a permit will indeed obtain one, but also whether the permit will contain all regulations necessary to achieve the policy objective. It is precisely the formulation of these regulations that is the most difficult part of the negotiations between government and industry. Furthermore, the application of policy instruments almost necessarily leads to interaction, so it will be impossible for the result to be 'no' interaction, as in Figure 10.1.

A distinction is thus made between: 'constructive' and 'obstructive' cooperation; 'negotiation' and 'conflict' (opposition); and 'symbolic application', often accompanied by learning. Active obstructive cooperation occurs in situations where both actors stand to gain from an inappropriate application. The same phenomenon can occur with passive cooperation when one or both parties have a pro-forma interest in the application of the instrument – for example, because outright non-application would be too obvious and problematical vis-à-vis higher authorities – but do not have substantive interests in 'adequate' application. In view of the many elements involved, it is useful to sub-divide the interaction type 'opposition' into 'negotiation' and 'conflict'. In the case of negotiation, the parties do their utmost to realise as many of their own objectives as possible by reaching a compromise. In the case of conflict, the target group usually breaks the lines of communication and confronts the other party with a negative use of power. In this latter case the target group generally questions the legality of the instrument. Finally, with some combinations of circumstances the interaction type can be labelled 'symbolic', since while the procedural 'form' of the instrument is strictly followed, substantive change is very weak. In most cases learning processes will, in due course, change these situations.

### **The predictive model**

Figure 10.2 gives an overview of the situations, predicted interaction types, and expected results in terms of the degree of adequate application of the instrument. It bears repeating that the other variables often mentioned in connection with implementation processes, including the possible influence of the policy instruments themselves, enter into this theoretical logic by altering

Mi	Mt	I+/0	Pi	Sit.	Outcome	Process	
+	+ / 0	+	—	1	++	Constructive cooperation <sup>a</sup>	
				2	-?	Learning towards 1	
—	—	+	+	3	++	Constructive cooperation <sup>b</sup>	
				0	+ / ++	Negotiation/Conflict	
		—	—	—	4	+ / ++	Negotiation/Conflict
					5	+ / -	Negotiation
				—	6	-?	Symbolic/Learning → 3/4
					7	++	Constructive cooperation
0	+	+	8	-?	Symbolic/Learning → 7		
			9	-	Symbolic		
		—	10	-	Obstructive cooperation		
			11	+ / -	Negotiation		
-	+	+	+	12	+ / ++	Negotiation/Conflict	
				13	++	Constructive cooperation <sup>c</sup>	
		—	14	-?	Symbolic/Learning → 12/13		
			15	-	Obstructive cooperation <sup>d</sup>		
			0 / -				

Mi = Motivation implementers viz. adequate application

Mt = Motivation target group viz. adequate application

I+ = Information for adequate application of positive or neutral partner(s)

Pi = Balance of power viewed from position implementer

*Notes:*

<sup>a</sup> M++ will result in an active cooperation process.

<sup>b</sup> This will be forced cooperation.

<sup>c</sup> This will be forced cooperation.

<sup>d</sup> M- - will result in an active (obstructive) cooperation process.

*Figure 10.2 The degree of 'adequate application' under Contextual Interaction Theory*

values of one or more core variables. Their influence can, therefore, be considered in light of this explicit model.

The implementation of a policy may also involve the deployment of more than one instrument (an example is analysed empirically in Yu et al. 1998). In fact, different instruments are frequently applied at different stages of implementation. For instance, the first step in applying a permit system might be to issue permits specifying certain regulations, and a second step might then be to enforce these regulations. This means that, in order to generate a comprehensive explanation of the results, the parts of the theory described here will often have to be applied several times.

In the elaborate version of the theory, both flow charts are also transformed into a formula version, enabling (as far as empirical data and estimates can

validly be extended) intermediate values of the independent variables and predicted outcomes (Bressers 2001).

### **The Special Role of the Discretion of the Implementing Authorities**

Many – probably most – theories of the implementation process concentrate mainly on the relation and dynamics between the responsible implementing authorities and the ‘higher’ authorities (including relatively new theories, such as Torenvlied 1996). In these analyses the concept of ‘discretion’ plays a large role. In Contextual Interaction Theory, however, the implementation process is above all conceptualised as an interaction between the responsible implementers and the target groups.

Relating the CIT approach to implementation literature that deals with formal and informal discretion is also instructive. While most studies will view the issue of discretion in terms of what the designated implementer is allowed to do (or able to ‘get away with’), in Contextual Interaction Theory it is a factor that influences what the implementer intends to do in the relationship with the target groups (motivation). Many other theories picture the amount of discretion and other factors leading to the motivation of the implementing authorities and use them directly as predictors of the implementation results. Since the interactive nature of implementation is emphasised, the motivation of both the implementer and the targets should be included. Nevertheless, considering the special role this factor plays in general implementation theory, the following will first briefly consider the motivation of the implementers and the role of discretion.

Motivation can reflect either perceived self-interest and information on interests, or, as stated by social psychologists like Gatersleben and Vlek (1998), needs and (perceived) opportunities. Motivation theory also pays much attention to the influence of ‘self-effectiveness assessment’ (Bandura 1986). If one doubts whether one will be able to behave in the expected manner, then the motivation for that action declines. This doesn’t mean, however, that there is no place for the kind of motivation that is steered and moderated from a higher level (responsible policy-makers). After all, policy processes, including implementation, are increasingly influenced by *multi-level arrangements*.

The discussion of ‘discretion’ can be seen as foreshadowing this topic, albeit from a narrower perspective. Insofar as positive intentions of the policy implementers are lacking, discretion can – in the multi-level contexts of most implementation processes – play an important role in lifting the motivation of the implementer to a more adequate level. So a combination of perspectives from both social-psychological motivation theory and mainstream implementation theory are here used to develop this core variable.

The basic principle used to assess the value of ‘the motivation to apply the instrument adequately by the implementer (Mi)’ is the combination of one’s own positive intention, plus the impact of the (lack of) discretion, minus the impact of a lack of confidence in self-effectiveness. Lack of discretion can be seen, therefore, as a ‘fixer’ that ‘repairs’ insufficient positive self-motivation as far as it goes.

Hopefully, this discussion has served to illustrate how the core variables of the CIT framework can be elaborated and connected with other relevant theories. The chapter now turns to a more specific overview of relevant empirical applications.

## TESTING THE THEORY: THE IMPLEMENTATION OF ECONOMIC INSTRUMENTS

Many writers on instrumental strategies for sustainable development have stressed that economic policy instruments are vital (e.g. von Weizsäcker 1994; OECD 2001: 19–20, 25–6). Subsidies, however, are generally regarded as a ‘tricky business’ in environmental policy. The internationally accepted ‘Polluter Pays Principle’ (by the OECD and EU for example) denies the legitimacy of government paying companies to pollute less. ‘Exceptions to the rule’ are, however, abundant. While ‘permanent innovation’ is perceived as essential for implementing sustainable development, subsidies are the dominant instrument used to stimulate innovation in most Western countries.

Another side of the same coin is environmental taxation. To implement sustainable development it is frequently advocated that tax systems be reformed in such a way that they generally burden the use of energy and scarce natural resources, rather than profits and income. Only in this way can an implementation of sustainable development be freed from trying to ‘row upstream’. Even though there is an extensive literature on the difficulties of introducing economic instruments, they also have produced some of the great success stories of environmental progress and are still forcefully supported by (among others) the OECD.

The next two sections will look at the relevance of the CIT approach with respect to two economic instruments: first, the implementation of a compensation scheme that has been in operation in the Netherlands; and, second, the application of Dutch effluent charges, which are by far the highest in the world.

### **Compensating Business for ‘Above Normal’ Demands**

The Dutch compensation regulation was designed so that both the official implementers and target groups would be stimulated to issue and accept regulations that were tighter than usual for the industries in question, thereby promoting

innovative measures. Further, the regulated firm was not to be burdened with a loss of competitiveness as a result of the instrument. Compensations were thus provided for the 'above normal' costs, varying between approximately € 100 000 and € 5 000 000 per case. Leaving aside the normative 'correctness' of applying such an instrument, only the question of adequate implementation of the scheme will be concentrated on here.

First, some remarks on the general application and effectiveness of the instrument. The original assessment applying the theory (Grimberg et al. 1989) concluded that of the 62 cases for which sufficient information was available, a stimulating effect was likely in 29 cases (that is, an application by the firms of more demanding conditions than were either normal or likely at the time); while in eight cases this was doubtful, and in 25 cases it would be unlikely (with 13 of these being 'very unlikely'). The analysis then showed that in 43 of the 62 cases the criterion of implementing 'above normal requirements' was actually applied by the authorities when deciding compensation. This was not the case for the other 19 cases. These cases received, however, subsidies under the scheme, thereby providing a clear example of what the theory labels as 'inadequate application'.

So as to further test the relevance of the theory, 46 cases are selected, for which data was available on the independent variables. These cases were divided into four groups with (rather) similar characteristics.

The first group consisted of 13 cases in which the motivation of the responsible implementers was regarded as low, while their discretion was high. The superior authorities in the Ministry remained passive, so there was no 'compensation' (correction) of the low motivation by lack of discretion. The motivation of the target groups was judged as negative in nine cases, neutral in three cases, with one case unclear. This means that situation 15 (Figure 10.2) is applicable: predicting a low degree of adequate application. Twelve of the 13 cases corresponded with this prediction.

The second group consisted of four cases where the resistance of the targets was determined to be low. The initial motivation of the implementers was also seen as low – but their discretion was also low. Information levels on both sides were also assessed as low. According to the theory the low discretion can be regarded as 'compensating' for the low priority of the implementers, resulting in a high  $M_i$ . Low resistance in the targets can be interpreted as  $M_t = 0$ . The low degree of information then corresponds with a situation 2 effect, predicting an initial low degree of adequate application, but also with some learning in the direction of a more positive situation. This prediction proved to provide an informative description of what actually happened, though the 'learning' involved here applied less for the designated implementer (the municipality or province), than for the multi-level combination of authorities, including the responsible Ministry as controller.

The third group consisted of 26 cases in which the situation, according to the theory, should be optimal. The implementers were motivated (though in seven of these cases this motivation is mainly externally caused by lack of factual discretion to deviate from the rules); the resistance of the targets against strict application was regarded as low; and information was not a problem. This indicates situation 1 conditions, predicting an adequate degree of application. Of the 26 cases assessed, 24 can be regarded as conforming to the prediction.

The fourth group consisted of three cases where the motivation of the implementers was high, but where there also was high resistance from the targets. In two of these cases the power of the targets was weak, however, resulting in situation 3. In the other case it was uncertain whether the power position of the targets was weak or balanced, so situations 3 or 4 could apply. In all three cases the criterion of 'above normal requirements' was indeed taken seriously. So, also here, the predictions appear to correspond with the empirical evidence.

All in all it can be concluded that the dependent variable studied – 'adequate application' – shows clear variation, as one-third of the cases were assessed to be cases with inadequate application of an essential element of the regulation. The division of these outcomes over sub-groups of cases with similar characteristics indicates a high degree of correspondence.

### **The Implementation of Effluent Charges**

Turning to another example, Holland has the most substantial system of effluent charges in the world, and one of the oldest in operation. The argument can be made that a 70 per cent reduction of organic pollution in industrial waste water during the 1970s was almost completely an effect of these effluent charges (Bressers 1983b, 1988). Clearly, these are the kinds of changes necessary for achieving ecological sustainable development! Many of the measures taken by industry were innovative changes in their production processes. It can be shown, moreover, that even in more recent times, with all of the 'low hanging fruits' presumably picked, there remains a considerable potential influence from increased surcharges on pollution by industry (Bressers and Lulofs 2002).

So effluent charges clearly can 'work'. But how contingent are the effects on instrument effectiveness? Can the Dutch example serve as a lesson for ecological sustainable development in other countries?

Clearly not in any simplistic way. It has been seen that, in several countries, similar (but lower) effluent charges are not always properly implemented. As stated above, it is a premise of the CIT approach that the implementability and effectiveness of policy instruments can never be totally separated from their



specific formulations and the contexts of their implementation. Consequently, one must examine to what extent the specific Dutch situation and the concrete content of the Dutch effluent charges have helped to make them such an effective instrument.

To a certain extent the values of some of the variables that play a role in the various parts of the theory are already determined by the nature of a certain type of policy instrument, for example, effluent charges. The general characteristics of effluent charges (payments) lead one to normally assume that the motivation of the regulated parties (target groups) will not be positive. In the model flow chart (Figure 10.2) it is easy to see that this limits predicted positive outcomes to situations 3–6, 10 and 15. Of these, only situation 3 predicts constructive cooperation, whereby the instrument is carried out so effectively as to generate the excellent results that were actually achieved. The implementation of effluent charges could, in this light, easily get bogged down through any of the remaining nine situations.

Situations can arise in which lack of motivation among officials, or lack of information on the level of pollution caused by each firm individually, could prevent a firm from being charged in full for the pollution it has caused. Also, doubt about the power position of the implementing water boards vis-à-vis the industries could lead to negotiations (as seems to have happened often in France and Italy, as well as a few times also in the Netherlands) and even to conflict. Why has the application of effluent charges generally not been hampered by such situations in Holland?

To answer this question, the following will look briefly at the situation for the executive bodies responsible for implementing the instrument. It is possible to highlight their motivation (doubt as to their priorities leads to situations 10 and 15); their level of information (which accounts for the difference between situations 3–5 on the one hand and 6 on the other); and the overall balance of power (which accounts for the differences between situations 3, 4 and 5).

### **Motivation**

When attempting to implement a tariff system, executive bodies are often confronted with a great deal of reluctance in society. If they are not heavily committed to applying the instrument, social opposition can confound their efforts. This problem did not arise in Holland, due largely to the fact that effluent charges in the Netherlands function as problem-specific revenue-generating charges. The funds for water quality management, including the massive investments in the construction of a comprehensive network of regional treatment plants, must, for example, be wholly furnished by the revenue from the charges. This means that the water authorities can only finance this new important task, which they were eager to undertake, if they themselves succeed in adequately implementing the revenue-generating instrument.

**Information**

Another major characteristic of effluent charges is the massive amount of information that is required on the actual amount of pollution by each firm in order to assess the fee to be paid. Some authors see this as the most important reason to discard this policy instrument altogether. The first way of overcoming the problem in the Netherlands was by not charging the millions of households and small industrial polluters (with less than ten ‘pollution units’) in proportion to the actual pollution caused. Having relatively few opportunities of limiting pollution, this category of polluters is of minor importance to the overall regulating effect of the instrument. The great benefit is that this allows the executive bodies to reduce drastically the amount of information required. This amount is then again substantially reduced by basing the assessment of medium-sized polluters (usually between ten and 100 pollution units) on an expertly calculated coefficient table, rather than on actual samples of their effluent. This produces a relatively accurate estimate of the pollution emitted, with coefficients for each branch of industry or sector, on the basis of easily obtainable data, such as the amount of water used by the firm, the amount of raw materials it processes and so on. The procedure also maintains high incentives to reduce pollution, since companies that feel they have been ‘over-rated’ by the standard coefficient method can request that their effluent be sampled for a period so as to possibly change the coefficient applied. All of these pragmatic features make it possible to implement the charges at the cost of only a few per cent of the total revenue, without diminishing the instrument’s regulative effect.

**Power**

With power, one must again refer to the revenue-generating character of the charges. They are in the present case regarded as normal taxes. This implies that the full legal powers of taxation are in the hands of the water boards, including, if necessary, administrative methods of sanctioning violations. These are much easier to apply than sanctions under, for example, a permit system, where courts demand a high burden of proof from the authorities and are often quite reluctant to sanction. This considerably strengthens the power position of the implementers.

These circumstances give the independent variables of the CIT values that render a situation 3 prediction. As has already been seen, the implementation of effluent charges can meet many pitfalls, but nevertheless in this case the theory predicts – and practice appears to demonstrate – an adequate application. The Contextual Interaction Theory serves, therefore, to highlight significant – and systematic – failures and successes with respect to different types of policy interventions, providing thereby more general insights into the implementation process.

## TARGET GROUPS AND NEGOTIATED AGREEMENTS AS KEY ASPECTS OF THE DUTCH APPROACH TO SUSTAINABLE DEVELOPMENT

The previous section briefly outlined the relevance of CIT with respect to two 'economic' policy instruments.<sup>5</sup> As pointed out above, however, the purported 'differentness' of the SD challenge has led to numerous proposals for more 'innovative' strategies and instruments, many of which are designed to achieve ecological change through a combination of economic rationality/feasibility and social coherence through participation. In this section, the application of the CIT approach focuses on the relationship between one of these innovative strategies and the implementation of policy instruments. The purpose here differs from the previous section in that the intent is not to report empirical testing, but to use the approach to show: (1) that also these new ways to achieve sustainable development raise crucial instrumental challenges within the implementation problematic; and (2) to show that Contextual Interaction Theory provides a fruitful framework for elucidating the basic structure of the issues raised.

### **Target Group Policy: Widespread Use, Mixed Results**

The Dutch target group approach to environmental policy has gradually become a central conceptual feature of the discourse on strategic change in this area. This section will focus mainly on the use of negotiated agreements or 'covenants' (as elaborated and reported in, for example, Klok 1989; Bressers and Plettenburg 1997; Glasbergen 1998). The perspective also builds on recent results from an official evaluation of the Dutch environmental covenant strategy, where the author was a member of the evaluation team (de Bruijn et al. 2003). The approach has attracted much attention in other countries, largely assisted by the strong emphasis given to the idea in the formulation and implementation of the EU Fifth Environmental Action Plan (1993–2001). All European member states have been encouraged to 'look to the Netherlands' in this area of change (CEC 1992). The most well-known elements of this strategy are the negotiated agreements (covenants) themselves.

Evaluations of the effectiveness of negotiated agreements in practice vary considerably. On the one hand, the 30 'long-term agreements' with almost all sectors of Dutch industry on energy use appear, on the average, to have doubled the gain in energy efficiency compared to what otherwise would have been the case. Nevertheless, many sectors show absolute increases in energy use because of volume growth (Glasbergen et al. 1997; EZ 1999; Blok et al. 2002). The most important industrial energy users have agreed a so-called

'benchmark covenant' with the Dutch government. This implies that the 103 participating firms (representing over 230 plants) should – as soon as possible, but no later than 2012 – be rated among the top 10 per cent of energy-efficient producers in the world. Until now the covenant appears to be working satisfactorily (Commissie Benchmarking 2002). But the environmental movement has also warned that this is no guarantee that energy consumption will decline in absolute terms. (See Ruud, this volume, on the general problem of 'eco-efficiency' vs 'eco-effectiveness' and 'rebound effects'.)

Concerning general environmental policy in the context of the target group approach, 11 covenants have been concluded with industrial sectors to implement their share of the national environmental policy plan. A special Facilitating Organisation ([www.fo-industrie.nl](http://www.fo-industrie.nl)) guides the implementation of the covenants, and supports the civil servants of the authorities involved. The organisation provides the secretariats of all the working groups that implement the covenants and monitor the results. Mostly, the monitoring assesses only specific goal attainment, not overall effectiveness (that is, the surplus value of the covenants). Earlier results from scientific research on this effectiveness are positive, but not always very impressive (van Vliet 1992; van de Peppel 1995; Le Blanch 1996; Directoraat-generaal milieubeheer 2001; de Bruijn et al. 2003). Negotiated agreements are found to be adequate for 'implementing the feasible', but not for moving the limits of what is regarded as 'feasible'.

Environmental covenants are also used within certain agricultural sectors, such as the greenhouse vegetable sector (van Meegeren et al. 2001; van de Peppel and Woltjer 2002) and the flower bulb sector (Bressers et al. 1998). Also here the results are mixed.

More generally, international comparative research (OECD 1999; de Clercq et al. 2000; Green Alliance 2001) indicates that the results of negotiated agreements are relatively limited; though it is also clear that the use of covenants has served to prevent parties getting locked into a sort of trench warfare with numerous points of conflict and ending up in the courts.

### **Negotiated Agreements and Implementation Processes**

Covenants are often regarded as a type of stand-alone instrument, designed to encourage the firms of a specific sector to adjust their environmental behaviour. But this turns out, in most cases, to be an incorrect view of the instrumentation strategy. In almost no cases does the covenant replace other previously existing forms of steering (such as permits), and in many cases it is not the only instrument regulating the major part of the targeted behaviour. A logical and important reason for this has to do with differences of scale. Most covenants are concluded between national authorities (with provinces and municipalities often participating in the negotiations through the representatives of the

national associations of respectively provinces and municipalities), and national associations of the sector(s) involved. At the same time, the environmental permit system is directed towards individual companies, and the negotiations leading to a permit are conducted at the local or provincial level. This doesn't mean that the results of the covenant negotiations are not relevant without being fixed in permit conditions. But for individual companies it is often hard to see what the value-added contribution of the covenant is; and for the provinces and municipalities it is hardly possible to force compliance with the covenant without previously issuing permits (under conditions often inspired by the covenant).

The covenant itself, moreover, is often accompanied by an 'implementation' scheme. In many cases the covenant needs further specifications, and in a great majority of cases a follow-up committee has been established. Such committees typically consist of the parties that concluded the covenant to begin with, but often with representatives from a lower administrative level. The committee is assigned the task of both monitoring the application of the covenant in practice, and of negotiating further on the specifications necessary for adequate implementation. Without such specifications, individual companies and permit-givers often really don't know what is fully expected of them.

Figure 10.3 outlines how the different processes and their results are connected. The interactive processes are shown as arrowhead boxes, and the resulting outputs and inputs of follow-up processes as ovals. For the sake of simplicity, the figure doesn't show the set of actors interacting in each process.

The formal powers of the actors from the government side are deliberately kept small in the first two processes, as they do not use formal legal powers. The chances for primary and secondary covenant negotiation processes to succeed appear to depend more on a set of favourable or unfavourable conditions (de Clercq et al. 2000; Bressers and de Bruijn 2003). These include:

- whether there already exists a tradition of cooperation between the relevant actors, with mutual respect and trust in 'fair play';
- whether the actors share a joint problem awareness and an awareness for potential joint action (both can be partly due to a vulnerable image of the sector for its consumers);
- whether there is a credible 'threat' of alternative action (a potential governmental 'stick'); and
- whether there are well-developed institutional interfaces, such as strong representative organisations of industrial sectors and communication platforms.

Such factors influence the motivation, information and relative power of the parties in these negotiations.

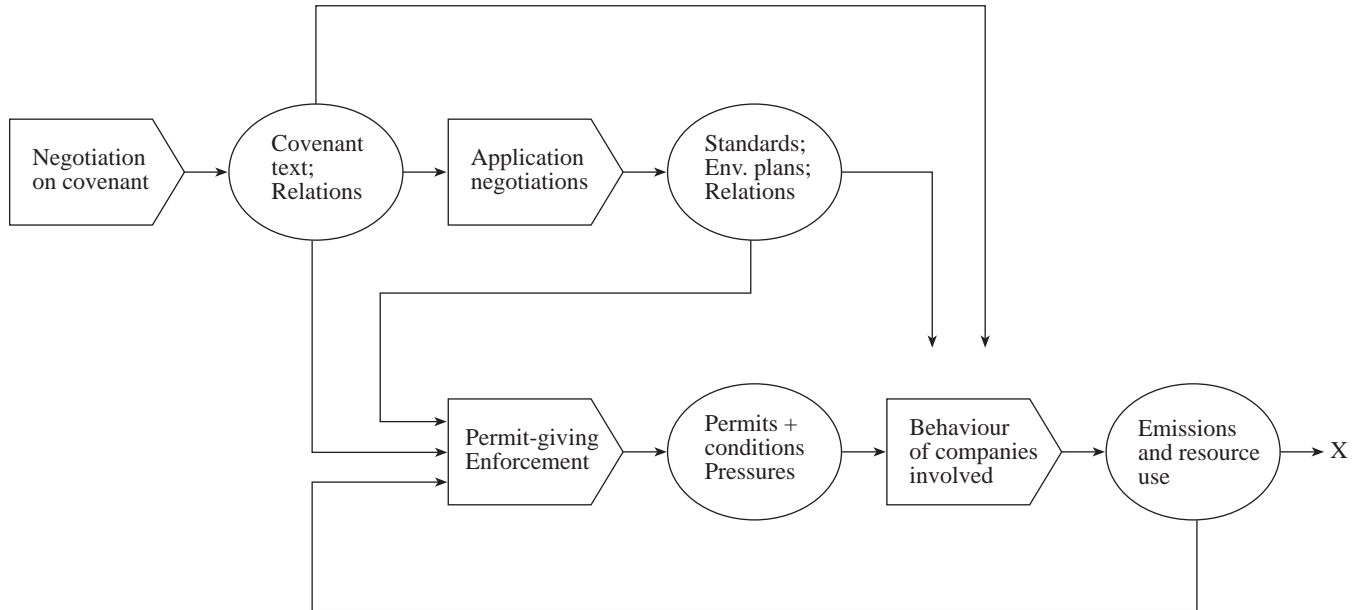


Figure 10.3 A partial process model of implementation through negotiated agreements

Both primary and secondary covenant negotiations can be viewed as implementation processes within a CIT framework. The negotiations leading to the covenant are seen as implementing the National Environmental Policy Plan; and the negotiations following the covenant are seen as implementing the covenant itself. But also, the more conventional permit-granting and enforcement processes are relevant implementation processes when evaluating the impact of the Dutch negotiated agreement approach. Operating in a context of negotiated agreements can clearly make a difference for the motivation, information and power of the actors involved in granting permits and enforcement. The following sections look more closely at the effects from negotiated agreements on permit-granting and the follow-up negotiations that are a key stage in the implementation of the covenants themselves, both with respect to the variables of the Contextual Interaction Theory.

### **Licensing in the Context of Negotiated Agreements**

In a recent study, van de Peppel and van der Veer (2003) investigated the surplus value of the target group policy on environment and industry. With respect to the *motivation* of the industries involved, they found that the support for environmental measures within management increased significantly with a covenant in place. In more than half of the cases the priority given environmental measures and the overall attention paid to the environment during investment decisions increased, with leaders becoming actively involved in the search for innovative measures. They also felt that the covenant contributed to a more equal treatment of firms in their sector, thereby relieving their fear of loss of competitiveness.

The *information* of the companies also increased. On average, knowledge of the relevant environmental problems increased by 88 per cent, and knowledge of possible solutions by 67 per cent.

As for the *motivation* of the implementing authorities, van de Peppel and van de Veer found that they actually became more fully aware of what the environmental objectives for the sector actually consisted of.

One of the most impressive findings, however, was in relation to the *information* of the implementing authorities (municipalities, provinces and water boards). They attained a much better insight into the interactions between the industrial drivers and the environmental pressures and potential responses. The study does not specifically address the issue of *power*, but the authors observe that the effect on compliance with permit conditions is an improvement of approximately 20–25 per cent. Whether the permit conditions tend to be more demanding under a covenant than without is not studied directly.

### **Follow-up Negotiations in the Implementation of Covenants**

While the conclusion of covenants might be viewed as a hybrid process, the follow-up negotiations specifying what the companies should do and the subsequent monitoring of progress can certainly be viewed as an essential part of the implementation process. In the official evaluation of the Dutch environmental covenants (de Bruijn et al. 2003), standardised telephone interviews were held with ‘the most neutral insider’ in 57 covenant cases. In most cases, the individual interviewed was the ‘mediator’, an externally hired process manager who acts as an independent chair of the negotiations. In the few cases where this position was not designated, both a representative of the authorities and one from the industrial sector in question were interviewed.

Queried as to the nature of obstacles to the implementation of the covenant, about half of the respondents perceived the major problems to arise during the initial negotiations leading to the covenant, while the other half felt that the most important ‘bottlenecks’ came during the follow-up negotiations and monitoring. By letting the respondents react on a number of standardised statements, their impression on the division of motivation, information and power in the process can be assessed. As a dependent variable the focus is on their assessment of the degree to which the initial agreements were ‘watered down’ during the follow-up specifications. Only in 23 per cent of the cases did the respondents perceive this to be the case.

The most succinct explanation for the variance in a perceived ‘watering down of the agreement’ contains only four factors:

- The effort of the target group representatives to make the agreement work (motivation).
- A perception among members of the organisations representing the target groups that the initial agreement was too demanding (motivation – positively connected to watering down).
- The tasks and responsibilities of the representatives of the target groups were clear (information).
- The authorities had a clear picture of what they wanted to achieve (included as a power indicator).

Together, these four factors explain 66 per cent of the variance. While this is a good score considering the weaknesses of the data-gathering procedure, it raises the question as to why the motivation of the authorities didn’t figure more prominently. One possibility could be that the fourth factor listed here – meant to be a power indicator (clarity of purpose as a necessary, but not sufficient, condition for power) – acted as an indicator of authorities’ motivation. If so, other power indicators are lacking in the formula. Further analysis is



being conducted to determine if this configuration is perhaps typical for the type of ‘consensual process’ inherent to the covenant instrument.

## CONCLUSION

As understood in the present volume ‘sustainable development’, as a policy programme that has emerged from the UNCED process, poses some rather unprecedented challenges to the governance of society. Perhaps chief among these is the ‘differentness’ of the programme in outlining a comprehensive and resource-demanding agenda with long-term objectives, employing the ‘precautionary principle’ under way as a means to deal with uncertainties.

Many innovative ways of governance for sustainable development are presented in this volume, and numerous others are being experimented with. A main purpose of the present chapter has been to point out that one should not forget that these new modes of governance ultimately depend, as much or even more, on conventional strategies for translating goals and objectives into tasks and responsibilities at the level of individual companies, other organisations and households. If implementation in this more conventional instrumental sense is failing, most new policy initiatives will be dumped before they have a decent chance to gain a firm position among the institutions of governance.

The main ‘storyline’ here, therefore, is that one should not pin one’s hopes on the accumulation of ever more ideas for *potentially* promising policy innovations, without striving to understand basic instrumentalities of the implementation processes better, so that these can then be more effectively integrated into strategies for sustainable development. The approach doesn’t claim to provide either easy answers or clear ‘dos’ and ‘don’ts’. What works, where, when and how – particularly in the highly complex policy realm of sustainable development – is highly dependent on context. The task stressed here is to develop an approach that assists us in *knowing how* ‘what works, where, when and how?’ By being open to a large variety of contextual factors, but nonetheless channelling them through a limited number of ‘core circumstances’ that build a deductive explanatory framework, the approach strives to achieve an understanding of the implementation processes, which is simultaneously more concise and more generally applicable. The applications of the theory chosen here – focusing on selected economic environmental policy instruments and the Dutch target group approach through negotiated agreements – illustrate the relevance of the approach.

In the case of sustainable development, as with previous cases of more limited environmental policy, the dynamics of implementation may prove to be the crucial hinder to a more effective realisation of the efforts for change. And in one sense the problem may be becoming increasingly crucial. The

current European trend to focus more and more on ‘consensual’ steering devices may lead to a confusion of means and ends whereby a belief emerges that an accommodation of business and industry is the paramount way forward. Without firm implementation of agreements, however, consensual steering quickly becomes an illusion. The example at the start of this chapter of a fireworks trade centre blowing up and destroying an entire district, makes clear that such illusions might end suddenly.

## APPENDIX 1 ASSUMPTIONS OF THE CIT FRAMEWORK ON THE LIKELIHOOD OF APPLICATION

The following are the assumptions on what types of interaction to expect under the various combinations of circumstances (between brackets the situations in the flow chart [Figure 10.1] that rest on this assumption):

- For any interaction to evolve, it is necessary that application of the instrument would contribute positively to the motivation of at least one actor (9, 14).
- If application of the instrument would contribute positively to the objectives of one actor (motivation), while the other actor is also positive or neutral, but the information of the positive actor(s) is insufficient to apply the instrument, then a joint learning process will evolve that will sooner or later create another situation (2, 8).
- If application of the instrument would contribute positively to the objectives of one actor, while the other actor is negative, and the information of the positive actor is insufficient, then there will initially be no interaction, but the positive actor will try to learn on its own and thereby to create another situation (6, 13).
- If application of the instrument would contribute positively to the objectives of one actor, while the other actor is also positive or neutral, and the information of the positive actor(s) is sufficient to apply the instrument, then the interaction process will have the character of cooperation. When both actors are positive there will even be active cooperation (1, 7).
- If application of the instrument would contribute positively to the objectives of one actor, while the other actor is negative, and the information of the positive actor is sufficient, then the character of the interaction process will be dependent on the balance of power between the actors. Dominance of the positive actor will lead to (forced) cooperation (3, 12). Dominance of the negative actor will lead to obstruction (5, 10). A relatively equal balance of power will lead to opposition (4, 11). Opposition can take the forms of negotiation and conflict.

Assumptions as to what likelihood of application to expect with different types of interaction:

- Cooperation will lead to a great likelihood of application.
- Opposition will lead to an intermediate likelihood of application.
- No interaction will lead to a small likelihood of application.
- Obstruction will lead to a small likelihood of application.
- Joint learning will initially lead to a small likelihood of application, but later to a situation with cooperation and a great likelihood of application.

Descriptions of types of interaction on likelihood of application:

- Cooperation can take the forms of active cooperation, passive cooperation and forced cooperation. Active cooperation is when both the actors take initiatives and help each other to achieve the common objectives (here the application of the instrument). Passive cooperation is when one actor takes the initiative and receives the requested assistance voluntarily from the other actor. Forced cooperation is a form of passive cooperation in which the other actor provides the requested assistance involuntarily.
- Opposition can take the forms of negotiation and conflict. To what extent the one or the other will evolve falls outside the domain of the theory. Negotiation is when both actors engage in exchange behaviour seeking an agreement by which both actors will realise part of their objectives. Conflict is when one or both actors interact to prevent the other actor of realising part of its objectives.
- No interaction is when both actors abstain from any communication to the other actor that would be meaningful for applying the instrument(s).
- Obstruction is when one actor ignores attempts to create meaningful interaction by the other actor.
- Joint learning is when both actors seek to find meaningful information and share it with the other actor.

## APPENDIX 2 ASSUMPTIONS OF THE CIT FRAMEWORK ON THE DEGREE OF ADEQUATE APPLICATION

Following are the assumptions on what types of interaction to expect under the various combinations of circumstances (between brackets the situations in the flow chart [Figure 10.2] that rest on this assumption):

- If adequate application of the instrument would contribute negatively to the objectives of one actor and also negatively or neutral to the other actor, then obstructive cooperation will evolve. In cases where both actors are negative this will be active (obstructive) cooperation (10, 15).
- If adequate application of the instrument would contribute relatively neutrally to the objectives of both actors, there will be symbolic interaction (9).
- If adequate application of the instrument would contribute positively to the objectives of one actor and also positively or neutrally to the other actor, and these actors have sufficient information, then constructive cooperation will evolve. In case both actors are positive this will be active (constructive) cooperation (1, 7).
- If adequate application of the instrument would contribute positively to the objectives of at least one actor, but the actor has insufficient information for adequate application, then there will be initially symbolic interaction, but also learning by the positive actor(s), leading later to other situations (6, 8, 14). In case the implementer is positive and the target is also positive or neutral, there will be hardly any symbolic interaction, but a process of joint learning will quickly emerge (2), the more so if the target is also positive.
- If adequate application of the instrument would contribute positively to the objectives of one actor and negatively to the other actor, and the positive actor has sufficient information, then the character of the interaction process will be dependent on the balance of power between the actors. Dominance of the positive actor will lead to (forced) constructive cooperation (3, 13). Dominance of the negative actor will lead to negotiation (5, 11 – not obstructive cooperation, since by the nature of this aspect some sort of application will result anyhow). A relatively equal balance of power will lead to negotiation or conflict (4, 12).

Assumptions on what degree of adequate application to expect with different types of interaction:

- Constructive cooperation will lead to a great degree of adequate application.
- Obstructive cooperation will lead to a small degree of adequate application.
- Negotiation will lead to an intermediate degree of adequate application.
- Negotiation/conflict (opposition) will lead to a rather high to great degree of adequate application.

- Symbolic interaction will lead to a small degree of adequate application.
- Symbolic interaction with learning will initially lead to a small degree of adequate application, but later to various other situations with other expectations.
- Joint learning will initially lead to a small degree of adequate application, but rather soon to situation 1 with constructive cooperation and a great degree of adequate application.

Additional descriptions of types of interaction on the degree of adequate application:

- Cooperation can be constructive and obstructive. Constructive cooperation is when the initiatives and assistance are aiming at adequate application. Obstructive cooperation is when these are aiming at preventing adequate application on meaningful aspects.
- Symbolic interaction is when certain (in)formal procedures are followed, without the content that would make them meaningful for adequate application. An example could be control visits to companies that hold a permit, just 'to have been there' and being able to count the visit in the statistics of the agency's performance.

## NOTES

1. The work has been reported in several different studies. The initial report, based on 22 studies, was by Bressers et al. (1985), with follow-up studies (reporting more than 100 cases) by Schuddeboom ([1990] 1994). The first version of the theory was published by Bressers and Klok in 1987 and 1988. After a series of generally encouraging empirical studies – Grimberg et al. 1989; Kraan-Jetten 1991 – revisions led to an updated version in 1991 (Klok 1991). Additional empirical studies have followed – for example Grin and Van de Graaf (1995) and Pullen (1992). These latter studies provide the point of departure for the current revision. This version has recently been tested in van Veen (2003).
2. The data reported in this section have also been reported in Bressers et al. (2000).
3. The challenge of taking into account target groups as complex rather than unitary actors has, for example, been addressed in Bressers (1998); Bressers and O'Toole (1998); Ligteringen (1999). These aspects are not viewed as central to the current exposition, and have, therefore, been omitted.
4. Policy learning within an implementation case could, for example, take place when implementers change the instrument as they apply it, in order to decrease the amount of information that is needed for actual application. This would be in accordance with 'bottom-up' findings indicating that much of the deviation between intent and result in policy implementation can, in fact, be attributed to attempts to 'make the most of it', rather than to limit the impact of the instrument.
5. In addition to these two cases the CIT has also recently been tested on 18 cases of the *enforcement of environmental permits*, another 'conventional' instrument. Also in this study (van Veen 2003) the observed course and outcomes of the enforcement processes matched the theoretically predicted situations very well.

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# 11. Governance for sustainable development: lessons and implications

**William M. Lafferty**

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The underlining theme of the present work has been to explore the ‘differentness’ of sustainable development as a widely endorsed international programme to be implemented by the member states of the United Nations. Within the context of the SUSGOV project the individual contributors have been challenged to relate their own fields of expertise to the ‘form follows function’ problematic, which is inherent to the implementation task. The message to each participant at the start of the project was: given the premise of differentness as a challenge to strategic governance, focus on a topic of choice that brings insights – of whatever nature – to the form–function discourse.

Though many of the contributions address the problematic more directly than others, all of the nine studies clearly reflect the basic theme. The theme could have been structured more rigidly as a ‘protocol’ or ‘template’ for greater consistency across the individual studies. This would possibly have resulted in a greater ‘pay-off’ for nomothetic science; but would not, the author believes, have been as advantageous for applied science. Furthermore, the depth of insight and richness of understanding that the studies have produced would have been lost; qualities that only can be secured through self-regulated in-depth analysis.

The studies can be seen, therefore, as both ‘stand-alone’ contributions within their own separate sub-fields and common contributions to the governance discourse. In trying to capture the major lessons and implications of the latter, this chapter will conclude by trying to relate the major findings to the issues outlined in the Introductory chapter. There are three major discourses of direct relevance to the form–function challenge: (1) the prescriptive applied-science work being done by the OECD with respect to strategic governance for sustainable development; (2) the more academic theoretical work being done on the nature of the policy process and implementation; and (3) the normative issues related to democracy and sustainable development.

## STRATEGIC GOVERNANCE FOR SUSTAINABLE DEVELOPMENT

Given the fact that the SUSGOV project was in part inspired by the work of the OECD in this area, and further that the OECD has clearly taken the lead in providing empirically based prescriptive knowledge on the challenge of strategic SD implementation (2001a, 2001b, 2002a, 2002b), it is appropriate for the development of cumulative knowledge to first try to relate the findings to the OECD programme. Of the numerous frameworks, schemes, models, etc, that could be chosen for this task, the focus selected here goes directly to the governance issue. In a ‘policy brief’ prepared by the Public Management Service (PUMA), the OECD presents a ‘checklist on improving policy coherence and integration for sustainable development’ (OECD 2002c). While this may at first sound like a more limited facet of the SD governance challenge, the history of the ‘checklist’ reveals that the issues covered are substantially the same as those used to structure the five case studies on ‘governance for sustainable development’ (OECD 2002a). These issues were in turn discussed and amended by experts from government, academia and non-governmental organizations at a seminar on ‘Improving Governance for Sustainable Development’ (Paris, 22–23 November 2001), and subsequently reviewed by the OECD Public Management Committee. The list of criteria thus represents a well-documented and relatively consensual set of crucial issues related to the form–function challenge.

The checklist is presented as follows (OECD 2002c: 5):

The criteria presented . . . constitute some of the fundamental elements that need to be borne in mind when assessing institutional and decision-making practices for sustainable development. The guiding principle in designing these criteria is improving policy coherence and integration. In this context, effective implementation of sustainable development requires:

- a common understanding of sustainable development;
- clear commitment and leadership;
- specific institutional mechanisms to steer integration;
- effective stakeholder involvement;
- efficient knowledge management.

Each criterion (‘element’) is then followed up with a sub-set of more specific questions designed to elaborate the substance of the prescriptive point (Table 11.1). So as not to overly complicate the presentation, only the most important lessons of the individual studies under the five major headings will be highlighted here. The choice of issues presented is, however, clearly influenced by the sub-questions outlined in Table 11.1.

*Table 11.1 OECD checklist for improving governance for sustainable development*

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Criteria I: Is there a common understanding of sustainable development?

What efforts have been made to provide clear, widely accepted and operational objectives and principles for sustainable development?

Is the concept of sustainable development sufficiently clear and understood by the public?

Is the concept of sustainable development well understood by public organizations and across levels of the government?

Are the benefits made evident with clear examples supported by statistics?

Criteria II: Is there a clear commitment and leadership?

Is there a clear commitment at the highest level to the formulation and implementation of sustainable development objectives and strategies?

Is this commitment effectively communicated to the various sectors of government machinery and across levels of government?

When gaps exist between the administrative and political agendas, are specific efforts made to bridge (or fill) them?

Is leadership expressed through a sequence of priorities over time?

Is government maintaining a sense of urgency, despite the longer-term nature of the issues related to sustainable development?

Are pioneer activities of selected agencies and local communities encouraged, rewarded and disseminated?

Criteria III: Are conditions in place to steer sustainable development integration?

Is there an institutional 'catalyst' (ministry, select committee etc) in charge of enforcing sustainable development strategies?

Is this 'catalyst' located strategically within the government machinery (e.g. at the level of the Prime Minister's office)?

Are there specific reviews of laws and regulations to check whether they conflict with sustainable development, and are sustainable development objectives embedded in new legislation and regulations?

Are there mechanisms to ensure effective feedback between different levels of government?

Are organizations moving from narrow sectoral perspectives (e.g. agriculture, industry, transport etc) to a more 'issues-oriented' agenda (e.g. air quality, mobility, poverty reduction etc)?

Is sustainable development integrated into regular government exercises (e.g. the budget process)?

Is there a clear framework for assessing the performance of public organizations with regard to sustainable development?

*Table 11.1 (continued)*


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Are there evaluation and reporting mechanisms to support sustainability appraisal within the public sector (i.e. indicators of progress, cost/benefit analysis, environmental and social impact assessment)?

Does government make effective use of these evaluation and reporting mechanisms?

Have specific external and independent auditing and reporting mechanisms been established?

Has a body been put in charge of providing guidance to organizations upon request?

Criteria IV: Is stakeholder involvement in decision-making encouraged?

Do effective mechanisms exist within government or independent organizations for informing consumers about the consequences of their consumption decisions?

Has the legal framework been reviewed and adapted in order to provide clear legal provisions for consultation and participation?

Are there clear guidelines on when, with whom, and how consultations should be carried out?

Is a case-by-case approach to policy formulation being developed at all levels and on the various dimensions of the issues, and is the public involved in this?

Are mechanisms in place for the evaluation of and feedback on consultation, and for monitoring the influence of participation on decision-making?

Is transparency ensured? For example, has restricted information been made the exception, not the rule, both in principle and in practice?

Are transparency mechanisms being reinforced at different levels of government for key decisions?

Criteria V: Is the diversity of knowledge and the scientific input to problems adequately managed?

Are the mechanisms transparent, supported by arbitration processes (e.g. a 'sustainable development ombudsman'), for managing conflictual knowledge?

Does government ensure that a framework is in place to allow discussions to focus constructively on areas of disagreement, by developing scenarios and options?

Given that scientific and technological innovation is critical for sustainable development, is sufficient attention devoted to ensuring that the flows of information between the scientific community and decision-makers are efficient and effective?

Do research policies encourage and facilitate networks of scientists and do they support the development of 'joined-up' research between disciplines?

Are specific efforts being made to support forward-looking and policy-relevant knowledge, in particular through assuring the 'right mix' between public and privately funded investment in research?

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## A Common Understanding of Sustainable Development

Given the premise of ‘differentness’ that underlies the SUSGOV project – particularly the ‘outside-in’ character of the SD programme – one could easily say that this first challenge to SD governance is enlightened by all of the individual studies. The authors have collectively accepted the prospect that SD is *not* commonly understood, either within or across nation-states, and have aimed to find out what this implies for implementation efforts. In this light, each of the studies represents a direct contribution to the clarification discourse. Each study has presented one or more perspectives that confirm the acute challenge of missing or weak understanding. As a point of departure for reviewing the studies, one can distinguish between problems of *initial understanding* and problems of *ongoing understanding*. One can also assume that it is primarily the former aspect rather than the latter that is most challenging. Whereas all policies and programmes will undergo a process of learning and transformation throughout the implementation cycle, the distinct feature with SD is that very few, if any, of the crucial strategic actors identified by the programme really understand what the concept implies prior to initiation. There is no history of domestic group mobilization and power struggles; no long-term discourse on the goals and probable consequences of the programme; no *ownership* in the classic Weberian sense of associational ‘carriers’, or the Marxist sense of class interests.

While this lack of common understanding will clearly accompany and characterize the implementation process throughout, the cutting-edge of the criterion as a challenge to SD governance is to overcome the initial threshold. Just how difficult this is can be illustrated by recent survey data. The OECD points out (2002a: 11) that the term ‘sustainable development’ was known to only 13 per cent of the German population in 1999. Given Germany’s status as a relative ‘front-runner’ in environmental policy-making, this indicates a very small popular basis for mobilizing support for the SD programme.

A similar survey in Norway – the home of Gro Harlem Brundtland – was somewhat more positive, but still far short of the ‘common understanding’ here in question. In a survey conducted by ProSus during the final preparations for the World Summit on Sustainable Development (WSSD) in Johannesburg (2002), it was shown that roughly 36 per cent of the population could identify the concept more or less correctly, and that 30 per cent claimed to have heard of *Agenda 21*.<sup>1</sup>

Assuming these figures to be roughly indicative of the level of common understanding in OECD countries, the task of building a common platform for effectively *formulating* (much less moving) the SD agenda is clearly daunting. Just how daunting – and how inhibitive a lack of common understanding can be – is clearly illustrated by Aguilar Fernández’s analysis of the Spanish SD

exercise. Not only is there evidence here of serious political conflict over the basic nature of sustainable development, but in the eyes of the author there is also evidence of political manipulation of the SD imagery in the interface between the EU and Spain. The Spanish case thus stands out as a markedly *negative* example of how the initial challenge is met, and the longer-term consequences of not achieving some kind of ‘closure’ at the inception of implementation.

Looking for more positive signs in the studies, the first point to mention would have to be the strong emphasis on the *rational strategic nature of the common endeavour* throughout the initial development and subsequent transmission of the UNCED programme. Clearly recognizing the essence of the ‘outside-in’ challenge, the key policy and programme ‘brokers’ on the international scene understood that a successful implementation was critically dependent on a step-wise (studiously ‘stagist’) plan of enactment. Further, they knew that a ‘common understanding’ of what the programme was all about was a decisive premise for mobilizing actors and resources to move the agenda. The experience of the Brundtland Commission alone was enough to convince them of the enormous semantic difficulties inherent in the new concept, so that the programme would have to be steeped in rational didactic optimism from the start. With reference to Sabatier’s list of ‘critical factors’ for successful implementation (see Lafferty, Ch. 1, this volume), they had neither ‘clear and consistent goals’ nor ‘an adequate causal theory’ for successful implementation. They knew simply that something had to be done, and that the logic of rational problem-solving was the best available basis for action.

Bressers’ study provides empirical evidence of the wisdom of this approach. Recalling that ‘information’ is one of the three ‘core variables’ of the CIT framework, his analyses document the negative and positive effects related to asymmetrical and symmetrical conditions of knowledge among responsible ‘implementers’ and ‘target groups’. His data clearly support the proposition that the earlier one can achieve a common understanding of SD principles and goals, the greater the chance of successful policy application.

Several of the studies touch on how the initial threshold of understanding can be effectively confronted. Lundqvist’s analysis of Sweden and the Netherlands as instances of ‘Management by Objectives and Results’ (MBOR) documents specific administrative routines and consultative practices designed to lay a solid foundation for enunciating goals, indicators and targets. Both cases also stand out in contrast to the Spanish case with respect to the benefits of an early consensus on goals. In both systems there are heated discussions over priorities and the specifics of policy instruments, but there is little to indicate that the core understanding of (at least) ecological sustainable development is at issue.

Meadowcroft’s analysis also documents numerous forms of participation, which – if specifically used to overcome the initial lack of consensual under-

standing – could be used to promote consensus. Unfortunately, it appears that very few countries have understood the importance of overcoming the threshold of common understanding, so that there are few cases of national initiatives in this direction. The Canadian National Round Table on the Environment and the Economy (NRTEE) would be one such model, and – perhaps even more directly – the hundreds of local ‘forums’ established under the ‘Local Agenda 21’ initiative, with the express purpose of engaging local authorities, stakeholders and citizens in ‘dialogue’ on the meaning of sustainable development for their individual communities (Lafferty and Eckerberg 1998; Lafferty 2001).

Ruud’s analysis of the role of business highlights another aspect of the challenge: the crucial role played by external bodies of experts in focusing SD goals on specific problematics and tasks. Both the OECD and the World Business Council for Sustainable Development (WBCSD) have had a marked influence in getting firms to accept the meaning and SD relevance of ‘decoupling’ and ‘eco-efficiency’. The vital importance of these bodies is that they can address the interests of business on its own terms, compensating thereby for the low levels of understanding incurred by a lack of SD domestic politics.

A similar lesson emerges from Jörgens’ more systematic analysis of the diffusion of green planning and SD national strategies. His perspective is vital to this issue because it goes to the very core of the ‘outside-in’ process. The policy diffusion approach provides a baseline descriptive analysis of how the uptake of the SD programme occurs. The study shows that diffusion (as emulation) plays a major role in the initial processes of national engagement with sustainable development. Diffusion becomes in this view a form of ‘compensation’ for weak domestic policy pressures, operating through a form of peer group influence whereby new adherents don’t always know what they’re signing up for – but feel a normative political pressure to do so nonetheless! Once established on this basis, as an ostensible commitment and strategic goal, the problem of understanding becomes visible and acute. The global influence does not stop here however. Jörgens maintains that the challenge of consensus-building is further aided by a dual process whereby key national actors from ‘pioneer’ countries interact in cross-national networks to further define and clarify the nature of the SD programme.

The implication of these perspectives from Ruud and Jörgens is quite significant on this point. The message is that, given a lack of common understanding of sustainable development on the national level, considerable clarification can be achieved through imitative (‘best practice’) learning processes and programme guidance at the global level. The lesson is instrumentally significant for overcoming the SD knowledge gap, but it is also of direct relevance for O’Toole’s observation on the need for bringing multi-level interactions more directly into theorizing on domestic policy processes.

Finally, one can conclude on this point by posing a question as to the influence of the European Union in creating a more effective common baseline understanding of the SD challenge in member states. Relying on Bomberg's analysis, it seems apparent that the potential effect is unclear. On the one hand, the EU Commission has made a considerable effort to bring the SD agenda more directly into EU steering, particularly in the area of climate change and sectoral policy integration. On the other hand, however, there is the basic ambivalence of the EU project itself with respect to the traditional, and still dominant, market-liberalist programme.

One would not be surprised, therefore, if the civil servants given responsibility for overcoming the SD knowledge gap in member states have a difficult time in reconciling and communicating the two EU programmes. If a comparison of the two national case studies provided here is any indication, the process appears to be highly asymmetric. Whereas the Swedish government has clearly felt a need to inject its understanding of sustainable development *inwards* to the EU, the Spanish government has been more than happy to *draw out* and exploit the underlying ambivalence. Jörgens' designation of 'global' organizations as effective handmaidens to overcoming the understanding barrier is apparently well-advised. Taking the results of Aguilar Fernández and Jörgens together, one can see a potential for differentiating between external factors contributing to 'good and effective' diffusion, and those contributing to 'poor and counterproductive' diffusion.

### **Clear Commitment and Leadership**

As indicated at the conclusion of Lafferty's analysis of environmental policy integration (Ch. 7, this volume), this particular criterion has been given high prominence by the OECD. The essence of the point is as simple – and crucial – as: 'If there's a will, there's a way'. More explicitly: the UNCED programme for sustainable development *may* be realized under strong and persistent political leadership, but will clearly *not* be realized without it.

This is of course hardly a new insight in policy research. It was a crucial element in the original Sabatier–Mazmanian shortlist of success criteria, and has been prominently featured in policy evaluation studies ever since. It emerges here most clearly in the analysis of policy integration in Chapter 7 (which was first presented at an OECD expert seminar on 'Improving Governance for Sustainable Development' in November 2001). A key premise of the HEPI–VEPI distinction is that without a clear overarching political commitment to the basic values of sustainable development (such as decoupling), SD values, goals and priorities will in general be overridden at cabinet level by other economic and social preferences. This proposition is supported by nearly every case study or evaluation of national SD implementation that



this author is aware of. Even in those front-running countries where political awareness and commitment to SD are exceptionally strong (such as Sweden, the Netherlands, Norway, Canada and the United Kingdom), the clear tendency is for the sectoral interests of ‘business and politics as usual’ to win out over SD goals.

This is not to say that there are not marked differences among states in the way they work with SD issues; or that SD-related priorities are *always* overridden. It is merely to emphasize the OECD observation that, unless political commitment to SD comes from ‘the highest levels of government’ and is ‘embraced by prime ministers, as well as ministers of economy/finance, social welfare, and the environment’, the necessary decisions to significantly move the SD agenda will not be made (OECD 2001b: 120).

It would be gratifying to be able to say at this point that the studies provide significant new lessons as to why and how political commitment to SD becomes strong and well entrenched – and to a certain degree this is the case. One can point to the much more successful SD initiatives of Sweden and the Netherlands, highlighting (from Lundqvist) the many positive features of the two systems, particularly the fact that governments in both countries have sought and achieved explicit parliamentary backing for their programmes. One can also speculate with Lundqvist (who reinforces Lafferty and Meadowcroft [2000] on the point) that much of the commitment manifest in the two systems seems to be related to a combination of: relatively small size; a unitary system of government; corporate pluralist institutions; and a consensual political culture.

But as also pointed out by Lundqvist, even these very general structural ‘conditioners’ are not immune to changes in political will. The SD momentum of the Swedish and Dutch systems seems to be faltering, and other small European states with the same characteristics as these two (Norway and Denmark) have experienced major swings in central government commitment to the SD programme.<sup>2</sup> Once again the Sabatier–Mazmanian shortlist focuses the issue. Their final condition for successful implementation is: ‘stable socioeconomic and political conditions which do not undermine the original political support for the initiative, or alter conditions underlying the “theory of causality”’.

Which brings us to the essence of the challenge for this criterion: How can the elected representatives of national governments guarantee supportive socio-economic and political conditions and the viability/legitimacy of the underlying logic of the strategic programme? The answer is of course that they can’t. The issue can be poignantly illustrated by a brief history of Norwegian climate policy.

Norway was a clear front-runner on several aspects of the SD programme immediately after the Rio Summit. The Minister of the Environment at the

time, Thorbjørn Berntsen, was an adept politician and highly knowledgeable on environmental issues. He contributed personally to a strong Norwegian profile on ‘sustainable production and consumption’, and to a very ambitious policy for reducing greenhouse gas emissions. On the latter particularly, national targets and timetables were announced that were as ambitious as any in the world at that time.

But it gradually became clear that Norway would not be able to meet the targets; that the cost was simply too high in terms of both monetary and political capital. The underlying ‘causal theory’ of implementation, which was principally based on the prospect of achieving change through domestic political will and governmental steering, was gradually weakened by a combination of: political in-fighting to the advantage of Norway’s rapidly expanding energy sector; a divesting of national moral responsibility to the advantage of ‘global’ perspectives and joint international responsibility; and a marked shift away from reliance on traditional methods of governmental steering towards market-based instruments and international agreements. When later confronted with the clear discrepancy between his earlier political commitments and current climate change policy in Norway, with a record of missed targets and deadlines, Berntsen’s reply was that: ‘We were somewhat naive. The problems were much more complicated than we realized at the time’.<sup>3</sup>

And therein lies the rub (dilemma, paradox, problem, challenge?). As clearly stated at the outset of the book – and emphasized by several of the individual studies – there is no obvious way to bind the political commitment and strategic logic of sustainable development to the ‘mast’ of democratic politics. As strongly emphasized by O’Toole, the most obvious challenge posed by the very nature of the SD programme is for greater institutionalized learning. And – as any good pedagogue will tell us – creative learning is open and unpredictable. At this juncture one can simply fall back (again) on the lesson of comparative difference. As the contrast between Lundqvist’s analysis of Sweden and Aguilar Fernández’s analysis of Spain clearly demonstrates, there are major verifiable differences in both the strength of political commitment and ability to convert commitment into operational policies for sustainable development between these two member states of the European Union.

### **Specific Institutional Mechanisms to Steer Integration**

Given that an interest in ‘instruments and mechanisms for SD governance’ was a key topic in assembling the SUSGOV team, a major portion of the relevance of the studies lies here. And – as indicated by the long list of possible measures prescribed by the criterion (Table 11.1) – this is also the area of most specific relevance for the implementation problematic itself. Indeed the issue of policy/programme integration for sustainable development has become a form

of 'least common denominator' for the strategic aspect of SD governance. The move from 'business and politics as usual' to 'business and politics for sustainable development' is to be 'steered' by governments through horizontal and vertical integration of the SD programme.

The Lafferty contribution, which develops the HEPI–VEPI framework for more specific evaluative analysis and prescription, was initiated within the context of OECD work in this area, and thus speaks most directly to the criterion. The essence of the position lies in: (1) a clearer differentiation of the horizontal and vertical dimensions of policy integration; and (2) an argument to the effect that the ecological/environmental dimension – understood as a precautionary concern for preserving and enhancing natural life-support systems – should be accorded 'principled priority' in decisions where conflicts among alternative policy goals arise.

The idea is thus on the one hand to identify specific mechanisms and procedures that will directly contribute to more effective governmental steering towards SD goals; and on the other to institutionalize principles that will give terms like 'balance' and 'coherence' a sharper SD cutting-edge. The latter would of course also strengthen the long-term 'commitment' identified under the second criterion, and would be completely in line with the mandate for integration adopted by the United Nations and the European Union.

It should also be pointed out that the Lafferty analysis concludes by identifying three 'modes' of integrative steering. The 'executive' mode reflects the integrative mechanisms institutionalized by Germany; the 'parliamentary mode' those of Canada; and the 'administrative mode' those of the Netherlands. These are 'real-life' governing instruments, specifically adopted by the governments in question to move the SD agenda. While none of them fully function according to intent (which governing instruments do?), they are in place as empirical examples for other governments to learn by. Taken together the three modes can be seen as complementary in relation to the executive, parliamentary and administrative roles of government, constituting thereby a more holistic potential model.

Several of the other studies provide similar types of descriptive analysis with prescriptive implications. Bomberg's overview of the European Union is clearly most thorough in this regard, presenting a focused 'scorecard' on both the gradual emergence of an SD agenda in the EU, and the records of EU bodies in dealing with that agenda. In addition to the wealth of information that emerges from the analysis, the study is particularly valuable for identifying the strong and weak points of the institutions with respect to SD, thereby laying a foundation for a closer monitoring of how the interplay among the different bodies will play out.

Bomberg's read of the form–function challenge is also extremely important. She actually reverses the major question of the whole SUSGOV project,

asking how the ‘form’ of SD can be adapted to the primary ‘function’ of the EU as a market-liberalizing force. Her answer, not surprisingly, is ‘not easily’. In addition to illustrating why this is so, however, she also makes a crucial point of the potential *positive* aspects of EU governance. Referring to O’Toole’s analysis of a need for new institutions to facilitate greater interactive learning in SD policy implementation, Bomberg points out that the entire structure of multi-level governance in the EU is an ongoing model of just this type of interactive governance. The long and highly popularized discussion of ‘subsidiarity’ – with its alternating interpretations as ‘top-down’ and ‘bottom-up’ – is testimony to how the EU handles exactly the type of SD governance challenges posed by the UNCSO and OECD.

Lundqvist presents a complementary perspective on EU governance. His analytic approach is to view the Swedish programme for ‘ecological sustainable development’ and the Dutch experience with national environmental planning as instances of ‘Management by Objectives and Results’ (MBOR). After developing a checklist of MBOR criteria, he assesses the situation in both countries, providing detailed information on both systems and highlighting important distinctions within the MBOR framework. He then raises the issue of whether and how the MBOR ‘model’ can be applied to the EU. Here he mirrors the conclusion made by Bomberg. The multi-level pluralistic structure of the EU can be seen as a potentially positive resource for SD governance. But Lundqvist also finds several features of the system that would work directly against the MBOR logic. Most particularly he focuses on the lack of strong and consistent political leadership at the top of the regional governance pyramid. Once again the implication points towards the dilemma of reconciling democratic values (in this case balancing the need to redress the EU’s ‘democratic deficit’ with the need for strong strategic steering) with the functional exigencies of the SD programme.

Further lessons of direct practical relevance for the issue of mechanisms and instruments are abundantly available in the other studies as well. Both Ruud and Bressers provide vital insights into the positive and negative features of voluntary initiatives and negotiated agreements, and Aguilar Fernández documents in detail how (in her view) an SD strategy process can lose both its way and its instrumental ‘bite’. In Jörgens’ analysis the notion of steering ‘mechanism’ is fruitfully expanded by charting the processes of ‘harmonization’, ‘imposition’ and ‘diffusion’. By elaborating on the instrumental specifics of these mechanisms, and by placing them in a broad longitudinal, comparative and international perspective, Jörgens broadens our understanding of the vagaries of rational SD steering. His analysis of the apparent causes and determinants of SD policy diffusion uncovers the workings of numerous structural and dynamic features that markedly enhance prospects of manipulation and change.

The list of relevant lessons could be drawn out at great length, and it is only to be hoped that practitioners involved in SD implementation take the time to probe and digest the individual analyses. By way of rounding off the criterion, however, it is important to specifically mention the results presented by Bressers in his secondary analysis of specific policy instruments within the Contextual Interaction Theory. In the view of Bressers and his colleagues, the CIT framework receives strong support as a predictive theory. The importance of this prospect lies in the ‘elegance’ of the theory. By operating with only three ‘core variables’ – motivation, information and power – and by stipulating a set of possible types of interaction among the variables, the approach provides what could be a powerful tool for strategic implementation. Given the strong premise of contextual dependency in the theory, the CIT approach offers a predictive theoretical tool that can assist governmental ‘implementors’ with their day-to-day responsibility for facilitating SD governance.

### **Effective Stakeholder Involvement**

On this criterion there are two studies with particular relevance: Meadowcroft’s comprehensive analysis of the prospects and problems related to participation as a mechanism for SD governance, and Aguilar Fernández’s case study of the engagement with sustainable development in Spain. As previously indicated the latter study stands out more for its negative conclusions than its positive lessons. As summarily expressed by the author: ‘the most thorny elements of the concept [of sustainable development], such as empowerment, local democracy and public participation, have been duly “forgotten” in practice; while the most economic-driven ideas of ecological modernization have been consciously over-emphasized’ (Ch. 5, this volume, p. 132). In this light, much can be learned from the study on how *not* to structure the participatory input. Interestingly enough Aguilar Fernández also indicates that even more traditional forms of democratic governance – the involvement of parliament for example in the setting of the SD agenda – have also been neglected in Spain.

It is also important to mention here that Aguilar Fernández carries out her analysis in relation to a more general framework that identifies different types of ‘constituencies’ for SD, in relation to two analytic dimensions: ‘the responsiveness of government’ (to the outcome of the participatory processes) and ‘the prominence of SD in the governance system’. Her reflections on the implications of the framework for participatory mechanisms and their eventual outcomes provide a valuable theoretical supplement to the work of Meadowcroft. By identifying two types of ‘participation trap’ within this framework – whereby ‘good’ participation leads to ‘bad’ outcomes for sustainable development – she provides an analytically specific warning against the type of participatory optimism that is widespread among SD advocates.

Whereas such views serve a relatively specific analytic function for Aguilar Fernández, Meadowcroft attacks the problem of participation across a broad normative–pragmatic front. Indeed his treatment stands forth as probably the most comprehensive and balanced critical assessment of participation as a mechanism for SD governance produced to date. His major conclusions thus warrant special attention. After thoroughly reviewing the ‘citizen’, ‘stakeholder’ and ‘community’ traditions of participation in environmental decision-making – drawing out numerous nuances of direct practical relevance – he concludes that: ‘Of the three strands of participatory discourse manifest in the environmental policy realm, the stakeholder approach was identified as the one with the greatest potential to contribute directly to public decision-making; with a substantial contribution to be expected from the community-centred approach; and a more limited direct role for the citizenship strand’ (Ch. 6, this volume, p. 186).

It should be stressed however that, while the logic of this assessment rests on the relative importance of the three types of involvement according to their critical impact for change, Meadowcroft also outlines a rich tapestry of functional differentiation for the three strands. He thus provides a virtual ‘toolbox’ of normative–pragmatic insights that can serve to structure the integration of participation in specific aspects of SD governance.

### **Efficient Knowledge Management**

Just as Meadowcroft claims special attention on the issue of participation, it is O’Toole who must be highlighted on the issue of knowledge for sustainable development. Recalling Lasswell’s differentiation of ‘knowledge *in* the policy process’ and ‘knowledge *of* the policy process’ (as profiled and elaborated by Parsons [1995: 19–22]), O’Toole’s overview of ‘implementation theory and the challenge of sustainable development’ (Ch. 2, this volume) constitutes a major contribution to the latter. As both a leading practitioner and ‘overseer’ of policy implementation research, O’Toole is uniquely situated to place the challenge of SD governance in a broad-based academic context. The reverse issue of the relevance of the studies for the academic sub-discipline will be turned to in the next section, but here it is the relevance of policy research for practical implementation that is in focus. In the author’s view, it is difficult to point to a type of expertise that is more relevant for programme ‘implementers’ – of whatever function in the chain of strategic governance – than the insights of implementation research. Yet one feels that – in Europe at any rate – the communications between policy researchers and practitioners, in and out of government, is extremely poor.

O’Toole takes a significant step towards rectifying this with his pointed and lucid analysis of what implementation research has to offer practitioners as

they try to come to grips with the nature of the SD challenge. Much of the UNCSO and OECD work on this particular issue tends to focus on the need for better relations between the scientific community and governmental policy-makers. It is patently clear, however, that prescriptions focus almost exclusively on better input from the natural or technical sciences, and not from the policy sciences (with the predictable exception of economics). Considering that a major part of knowledge production in implementation research is directed explicitly towards the everyday tasks and conceptual worldviews of implementers, this is a strange neglect indeed. Efforts by the OECD to clarify the conditions of 'Governance for Sustainable Development' represent a major attempt to overcome this particular 'gap'; and the contribution by O'Toole represents a major complementary effort to inject crucial neglected aspects of implementation research into the process. A keener knowledge *of* the policy process – and of the specific nature of the implementation challenge attaching to the SD programme – should be a major prerequisite for those *in* the policy process.

## IMPLEMENTATION THEORY AND SUSTAINABLE DEVELOPMENT

As indicated in the Introduction to the present volume, research on the policy process, and most specifically implementation research, is clearly the academic discourse of most direct relevance for the SD governance problematic. As succinctly stated by O'Toole (in one of his most recent assessments of the field): 'Policy implementation is what develops between the establishment of an apparent intention on the part of government to do something, or to stop doing something, and the ultimate impact in the world of action' (O'Toole 2000: 266). Governments all over the world have decided to 'do something' called 'sustainable development'; and, for the past 12 years have been working on realizing that 'something' in the world of action. The nine contributions to the present volume have been planned and carried out on the premise that the particular 'something' of sustainable development is in many ways very different from the types of policies and programmes that have provided the vast majority of cases for implementation research over the past half century or so. The task has been to illustrate what this means for their chosen aspects or mechanisms of SD implementation.

In trying to relate both the general perspective of the book and the implications of the individual studies to the implementation discourse, one must be highly selective as to which topics to focus on. This for at least two reasons. First, as widely acknowledged within the discourse itself, there is nothing approaching consensus as to implementation theory – or even as to what

'theory' does or should mean within the field.<sup>4</sup> Second, the number of potential insights to be gleaned from the studies is simply too rich and varied to be picked over. All the studies have accepted the prospect of SD 'differentness' (as a 'foil' for their own reflections), and their analyses, both conceptual and empirical, are suffused with numerous points of challenging relevance. The obvious hope, therefore, is that the 'slant' placed on the different topics will raise the avid interest of the relevant experts in the field, so as to promote more focused dialogues within and across the discourse. Normally this would be a relatively 'pious' hope, given the very modest level of dialogue between American implementation analysts and their European counterparts. It can be hoped, however, that the more 'generic' treatment provided by O'Toole can serve as both bridgehead and bridge for an expanded discussion.

As a complement to the issues raised by O'Toole, the author will here try to draw out three aspects of the overall approach and results that should be of direct interest to the community of policy-process researchers. First, there is the relevance of the study for the long-standing debate as to just how 'abstract' or 'generalized' theory in this area either can or should be. Second, there is the issue of relevance for the debate as to 'front-running' schools and approaches: the prospect of identifying candidates for 'best' (most 'law-like' or 'nomothetic') theories. And, third, there is the issue of 'social learning': the mechanism given greatest prominence here by O'Toole, but also touched upon by several of the other contributors.

Space does not allow for more than the briefest of treatments of each issue. But by highlighting interconnections between the three along the way, an understanding of the whole will hopefully enlighten the more detailed relevance of the parts.

### **The Interdependency Between Task and Theory**

One of the fundamental 'meta-issues' of the social sciences is the question of whether theories of social processes ever can or should resemble theories of natural processes. Numerous analysts of the policy processes, mostly American, believe that they can and should; while a goodly number of their mostly European colleagues believe they can't and shouldn't. As indicated in the Introductory chapter here, one of the leading figures in the field, Paul Sabatier, has clearly designated his two candidates for 'most progressive' theory: his own 'Advocacy Coalition Framework' (ACF), and Elinor Ostrom's 'Institutional Analysis and Development' (IAD) framework. These approaches are 'progressive' in that they are 'being used by a variety of scholars and seem to be developing increasing coherence and scope' (1999: 11, 164). With direct reference to one of the more fundamental meta-theoretical debates in social science history, Sabatier views Ostrom's IAD framework as probably being



‘as close to a “covering theory” as we have in the social sciences’ (his reference on the point is to Lakatos 1971,1978).

At the opposite end of this continuum, Sabatier places a number of ‘less promising’ and (thereby) ‘omitted’ approaches: ‘arenas of power’, ‘cultural theory’, ‘constructivist frameworks’ and the ‘policy domain framework’ (1999: 10–11). Without going into detail on any of these approaches here, what is of interest for the present discussion is that these approaches are all *contextual* and *cultural–constructivist*. In contrast to the clear ‘nomothetic’ ambitions of Sabatier’s project, their task is to apparently capture and systematize the more ‘idiographic’ aspects of the policy process.

It is into this ‘interstice’ in the policy process/implementation discourse that the first perspective from the current project can be interjected. As a project oriented towards practical knowledge, the goal is to produce insights that are *coincidentally* as ‘robust’ as possible in terms of general applicability; and as ‘strategically sensitive’ as possible with respect to *both* the substantive nature of the policy/programme to be implemented, and the numerous different socio-cultural contexts where implementation will take place. This means that the search for practical knowledge must accept as a point of departure that there will be considerable interactive ‘conditioning’ between ‘knowledge *for* the policy process’ and ‘knowledge *of* the policy process’ (see the Lasswell–Parsons distinction above). It also means that the effort should be viewed as *the ideal approach* to strategic policy research, not a failed ‘second best’ in relation to more universal scientific pretensions. The lesson in other words should be that we must make a ‘deed of necessity’ from the modern history of American policy analysis, whereby the ‘necessity’ is to acknowledge the general failure to achieve a context-free theory as a ‘deed’ for developing – and consciously ‘owning’ – a more interactive and pragmatic approach to policy/programme implementation.

In the words of Wayne Parsons (1995: 73): Policy analysis should be essentially viewed as a ‘boot-strapping activity’, where ‘no one theory or model is adequate to explain the complexity of the policy activity of the modern state’, and where the analysis of policy ‘involves an appreciation of the network of ideas, concepts and words which form the world of explanation *within which policy-making and analysis take place*’ (emphasis added). More succinctly: ‘a primary task for the student of public policy is to understand and clarify the discourse of frameworks which structure the analysis of policy problems, content and processes’ (ibid.: 57).

Clearly, such a position is at the ‘less progressive’ (social constructivist) end of Sabatier’s theoretical continuum. And what does the present approach and its findings indicate for these alternative readings of implementation theory?

Most specifically that the relevance of academic theory for an effective

implementation of the SD programme is *strongly* dependent on its ability to take on and enlighten the nature of the programme itself. It is not, for example, a matter of theoretical conjecture as to whether the programme has a built-in 'stagist' approach (it does); or whether it is 'top-down' in the sense of central government responsibility for its realization (it is); or whether it presupposes a broadly based and flexible application of policy instruments (it does); or whether it presupposes an active 'bottom-up' involvement to insure legitimacy and effective implementation (it does); or whether its goals are extremely ambitious, vague and multifaceted (they are); or whether the programme has broad political backing and democratic legitimacy (it does – with the clear exception of the American government) – etc, etc. These are but some of the exigencies of the programme: exigencies with direct relevance for many of the key points of internal conflict in the policy process discourse.

One could, of course, plead that an ambitious theory should be able to incorporate such features into an explanatory model. But aside from the fact that this has demonstrably *not* happened, there is a further issue of theoretical relevance. Regardless of what implementation theorists may or may not mean about the SD programme, it is a relatively massive and imposing phenomenon within the empirical range of their field. At a minimum, the studies presented here document this with a wealth of descriptive detail. Every single study demonstrates the existence and impact of the SD programme, regardless of how the individual analyses view and work with the implications. And should anyone doubt that the phenomenon is even broader than the material presented here indicates, it is only necessary to review the data from Jörgens' analysis of the proliferation of green plans and SD strategies to gauge the breadth of at least ostensible commitment.

Jörgens also provides the thread for a final point here. Given the 'outside-in' nature of the SD challenge, he emphasizes the importance of supranational bodies in not only legitimating the programme, but in providing cross-national infrastructure to aid in its implementation. This is clearly manifest in the activities of such UN bodies as the UNCSO, UNEP and UNDP, all of which conduct active programmes for more effective sustainable development; and in the analytic and evaluative activities of the EU and OECD. The massive support operations of these bodies in the service of SD implementation warrants intensive investigation by the policy analysis community, since it is here that the standard repertoire of controversial 'variables' within the sub-discipline – policy clarity, legitimacy, operational principles, instrument choice, indicators, targets, mechanisms for involvement, monitoring and revision – are being studied and debated, with the results rapidly being converted into guidelines and 'resource handbooks'.

In short, the most effective theory of the policy process for achieving sustainable development – effective in the sense of widespread adoption and

an increasingly common understanding of the barriers and aides to promoting strategic goals – is being produced through a dialogue of ‘external’ policy analysts and responsible national implementers, within and without government. Why this is the case; how this is the case; and what the phenomenon implies for implementation research, are crucial questions of direct relevance to the scientific profile and aspirations of policy research.

### **Ideas vs Institutions**

It has been seen that Sabatier has identified his own Advocacy Coalition Framework (ACF) and Ostrom’s Institutional Analysis and Development (IAD) framework as the front-runners in policy-process research. However, this may be from the point of view of critical meta-science, what can one say about this contention in light of the approach and challenges raised here?

Fortunately – thanks to the project conducted by Andrew Jordan and his colleagues on ‘Innovation in Environmental Governance’ (Jordan et al. 2003) – something that does not demand a detailed exegesis of the formal aspects of the two approaches.<sup>5</sup> The principal goal of the IEG project (author’s own abbreviation) has been to document and analyse the spread and application of ‘New Environmental Policy Instruments’ (NEPIs) within and across eight OECD countries (Australia, Austria, Finland, France, Germany, Ireland, the Netherlands and the United Kingdom). As such the project operates within a similar problem area as the SUSGOV project – assuming (as the project coordinators clearly do) that the application of NEPIs represents an innovative approach to a broader and evolving context for environmental policy. While they only marginally use the term ‘sustainability’, they identify the ‘backdrop’ for their analysis as the ‘broader developments in modern environmental politics, such as the internationalisation of policy-making and the emergence of ecological modernist ideas’ (ibid.: 6). The spread of NEPIs is thus perceived as instrumentally functional in addressing the new policy challenges.

The report from the IEG project contains an enormous amount of data and analyses, and is clearly ground-breaking in laying a foundation for the further discussion of the policy process in this area. Here one can only highlight that aspect of the project that touches on theoretical explanation. Having identified NEPIs as ‘new’ in both a very general and relativistic way (principally with respect to ‘old’ governmental policies of ‘command and control’); and having thoroughly documented their usage across the eight countries (focusing on ‘market-based instruments’, ‘voluntary agreements’ and ‘informational devices/eco-labels’); the authors then attempt an initial theoretical assessment with respect to two major approaches: ‘ideational’ and ‘institutional’ theories. What type of proliferation should we expect from the two theories, and what does the record actually show?

Of particular interest for the present discussion is the fact that Jordan and his colleagues have identified Sabatier's ACF framework as one of two principal representatives of 'ideational theory' (the other being the 'social learning' approach of Hall 1993). While they don't accord Elin Ostrom a similar place under 'institutional theory' (they are more 'historical' and 'sociological', referring mainly to the neo-institutionalism of March and Olsen 1998), it is clear that the institutional aspects of her framework clearly qualify for the perspective put forth. Without saying so explicitly therefore, Jordan et al. have set up a 'head-to-head' confrontation between Sabatier's two top-ranked theoretical approaches.<sup>6</sup>

Of most immediate interest for the present study, however, is the way Jordan et al. structure their analysis. The 'ideational' approach is presented as viewing 'ideas' as the principal driver of instrument selection. Citing Hall (in double quotes, 1993: 292), the basic perspective is that:

policy-making occurs within the context of a particular set of ideas "that recognize some social interests as more legitimate than others and privilege some line of policy over others". At any point of time, one set of ideas (a policy paradigm) prevails. This is "a framework of ideas and standards that specifies not only the goals of policy and *the kind of instruments that can be used to attain them*, but also the very nature of the problems they are meant to be addressing". (emphasis added by Jordan et al. 2003: 18)

With reference to Sabatier's ACF it is further stated that the dominant set of ideas will be enunciated and pushed forward by a dominant coalition within the particular policy sub-system in question. The ideational set will be composed of core beliefs and values divided into three 'hierarchical layers reflecting a decreasing resistance to change'. Some will be 'deep core beliefs' at the very foundation of the set; others will be policy-related core beliefs (translating core beliefs to strategic priorities); and there will be 'an outer band of secondary elements' (translating strategic decisions to choice of instruments and implementation) (Jordan et al. 2003: 19).

As an alternative approach, 'institutional' theories 'assume that the choice of instruments is shaped by the historical-institutional context in which the act of selection takes place' (Jordan et al. 2003: 19). Building on March and Olsen (1998: 948), an institution is defined as: 'a relatively stable collection of practices and rules defining appropriate behaviour for specific groups of actors in specific situations'. The framework sees institutions as 'sticky' and 'path dependent' channels that any new policy initiative has to work through – and overcome – if they are to be successful. Most succinctly: 'in sharp contrast to ideational theories, institutions powerfully refract external political pressures for change in ways that perpetuate existing arrangements' (Jordan et al. 2003: 20).

There is again no room here for a detailed account of the theoretical assessment carried out by Jordan et al. Their summary conclusion is as follows: ‘... neither perspective offers an entirely satisfactory explanation for the pattern of NEPI use revealed by our case studies. Ideational theories are better at explaining the motives and dynamics of change, whereas institutional theories concentrate more upon the filtering effect of national institutional forms’ (2003: 220). From the point of view of strategic research for sustainable development, there are at least three points of direct relevance.

First and foremost that the conclusion arrived at in the IEG study is directly in line with *both* the prescriptive theory of the SD programme, and with results in high-consumption societies thus far. In the perspectives developed by the UNCSD, EU and OECD as a follow-up to the UNCED programme, one can clearly delineate a sequential model whereby an ‘ideational’ phase precludes and guides an operational phase to overcome and integrate ‘institutional’ factors. While explanatory studies in the Sabatier mode have a need to constantly probe for theoretical parsimony, strategic studies can happily use whatever sets of partial and even complementary theories that seem to provide best insight for more effective implementation. In the present case it is clear that the ideational approach captures the essence of how the SD programme has developed: the formulation of its ‘core beliefs’ and goals in the Brundtland Report, and the more detailed outline of key target sectors and operational tasks. It is also clear that one can identify the institutional approach with the dual strategic task of both identifying ‘obstacles’ to effective implementation within existing institutional arrangements; and searching out potential transformative synergies within the same action arenas.

Second, given the distinct nature of the SD programme, one sees reflected in the approach of the IEG project a crucial differentiation as to the positive function of ‘social learning’. Recalling that O’Toole has identified this as perhaps the most crucial aspect necessary to make implementation theory more directly relevant for SD implementation, it can be noted that Jordan et al. emphasize social learning as a key aspect of the ‘dominant coalition’ element in the ACF frame. Had their analysis assumed from the start that there probably are no dominant coalitions pushing for ‘new environmental policy instruments’ (as ultimately acknowledged in their results), *and* that such instruments to a large degree reflect the spread of the SD programme (which they only do obliquely), they might then have stressed just how ‘ideational’ (and transformative) NEPIs are, and (thereby) how susceptible they should be to institutional blockage.

As documented in several places in the present volume, the lack of a well-established and strong ‘advocacy coalition’ for sustainable development has made the programme highly dependent on ‘outside-in’ prescriptive politics. Environment and development NGOs have *usually* pushed the SD envelope,

and selective pockets of civil servants have *occasionally* worked closely with these groups – but the backing and involvement of major interest groups within the ‘business and politics as usual’ community have had to be first won over and then mobilized. In this situation the coalitional factor behind the ideas has – as clearly documented by Jörgens – been strongly assisted by external cross-national organizations. The relationship between global ‘ideas’ and national ‘institutions’ thus becomes part of an integrated necessity for change, rather than a question of either competing nomothetic schools or alternative descriptive paradigms.<sup>7</sup>

In sum, the present study provides considerable support for the conclusions reached in the IEG study – but does so primarily in the context of SD difference. The general view of policy instruments within the prescriptive literature of the OECD and other bodies is that their effects are neither predictably objective nor radically ‘detached’ from more traditional modes of governing. They are – in the light of the studies presented – part of an implementation ‘toolbox’ that must be contextually sensitized (Bomberg, Lundqvist and Bressers); within an overall discourse of strategic social learning (O’Toole, Bomberg, Aguilar Fernández and Meadowcroft); supported by ‘external’ facilitating networks and organizations (Jörgens and Ruud); aiming to achieve consequential sectoral integration and ‘decoupling’ (Lafferty and Ruud).

### **The Theoretical Import of ‘Social Learning’: The Medium is the Message**

Following directly on from the previous conclusion, one can here very briefly indicate what appears to be the most broadly accepted ‘lesson’ of the present volume: the role of ‘social learning’ in moving the SD agenda. In addition to being a highly profiled prescriptive aspect of the SD programme from the start, it has been seen that the idea has emerged in one form or another in all of the individual studies presented here, and is also increasingly discussed in overviews of the field (see particularly O’Toole 2000 and this volume, plus the ‘Introduction’ and four chapters on ‘Implementation’ in Peters and Pierre 2003: 205–256). The core idea is that any attempt to initially generate a broad-based understanding of the comprehensiveness and complexity of the SD vision, and then follow this up through differentiated lines of implementation, requires a major effort of collective and individual learning. Part of this is because the ideas are different from existing dominant norms and values; part because the programme is so comprehensive and complex; and part because an exceptionally high degree of uncertainty attaches to both the separate effects of new instruments and the interactive effects of several new instruments at once. ‘Learning by doing’ has a particularly poignant function for SD planning and execution.

None of this is particularly controversial – at least not on a very general level of understanding as to what ‘learning’ is all about. What is important for the realization of sustainable development, however, is that learning is treated either very marginally or very particularly within Sabatier’s more ‘progressive’ approaches to the policy process. To take only the two front-runners: Ostrom’s IAD framework seems to view learning as principally a way to alter configurations of rules within action arenas. The approach does incorporate a specific multi-level framework for influences across action arenas, but also here the major type of interaction seems to be a relatively asymmetric restructuring of rules, incentives and outcomes. There does not appear to be any specific treatment of the learning variable (Ostrom in Sabatier 1999: 58–64).

Sabatier’s own ACF approach is much more specific on learning, with four of his eight original ‘hypotheses concerning advocacy coalitions’ designated as ‘learning hypotheses’. A close reading of these hypotheses (Table 11.2) indicates, however, that the conditions put forth for fruitful learning are highly restrictive. They stipulate: (1) a high level of technical resources and lack of fundamental cognitive conflict (Hyp. 1); (2) ‘accepted quantitative data and theory’ (Hyp. 2); (3) a focus on problems involving ‘natural systems’ rather than ‘purely social or political systems’ (Hyp. 3); and (4) a learning ‘forum’ invested with enough prestige to attract competing ‘professionals’ and to be ‘dominated by professional norms’ (Hyp. 4). With such a list it is not difficult to understand why Sabatier is consistently viewed as a classic ‘top-downer’.

By all indications therefore, ‘policy-oriented learning’ in the ACF mode is both elitist and highly constrained; and in the IAD approach it is (much more implicitly) highly rationalist, incentive-oriented and rule-bound. Neither of these profiles would seem to offer the type of learning deemed necessary by O’Toole, Bomberg, Lundqvist and Meadowcroft – to mention only the most specific treatments in the present volume. They raise the issue of how the SD programme – with its very clear logic of goal formation, strategic planning and multi-level, multi-sector implementation – can develop learning mechanisms that pragmatically address the challenge of converting ‘ideas’ to ‘outcomes’ in, and particularly across, institutionalized arenas. This involves working much more directly with the relationship between language, knowledge and symbolic representations on the one hand, and group interests and constraints within policy networks on the other. In searching for better – more instrumental and pragmatic – theory here, one must try to incorporate the essential feature of programme clarification and commitment revealed here – its social construction and institutionalization through language – into a theory of learning for change. The ‘medium’ and instrumentalities of communicative discourse must be the guiding ‘message’ for pragmatic, goal-directed change.

It would seem, therefore, that Sabatier’s ‘progressive’ theories, in addition to being supplemental to each other rather than competitive with respect to

their predictive–pragmatic potential, have serious conceptual gaps with respect to the necessities of the SD programme. Meadowcroft provides numerous examples of mechanisms where participation and learning are explicitly conjoined; several of which have emerged from attempts by ‘discourse theory’ and theories of ‘deliberative democracy’ to come to grips with environmental problems.<sup>8</sup> Given the fact that most of these theories would apparently fail to qualify for Sabatier’s logical–empirical shortlist – and that most of them have their origin in European social science – one must again emphasize O’Toole’s call for more and better transatlantic communication between policy researchers. The potential for confronting and conjoining the two traditions – in the service of more effective SD implementation – is surely worth the effort.

## GOVERNANCE AND DEMOCRACY FOR SUSTAINABLE DEVELOPMENT

As a final perspective on the challenge of adapting governance ‘form’ to sustainable development ‘function’, this chapter now turns to the issue of democracy and sustainable development. What does the ‘differentness’ of the SD challenge imply for existing democratic norms and procedures? One can begin by briefly placing the issue in a broader context of governance for sustainable development. First, some initial observations on the rapidly growing academic discourse on ‘governance’ in general and then a clarification of the issue within the more pragmatic governance discourse initiated by the OECD.

### **Getting an Angle on Governance**

As indicated in the Introduction to the present volume, the modern discourse on ‘governance’ is rapidly expanding (see Ch. 1, this volume, note 6). There are surely numerous explanations for this – most having to do with changes either imposed on, or willingly adopted by, ‘the state’. Pierre and Peters (2000, Ch. 3) offer eight reasons for why the issue has gained such prominence: the financial crisis of the state; the ideological shift towards the market; globalization; the failure of the state; the emergence of the New Public Management; social change and increasing complexities; new sources of governance; an abiding concern for political accountability. In a similar ‘ground-clearing’ article Hirst (2000) offers five ‘versions’ (types) of governance: ‘good governance’ as a posited ‘necessary component of effective economic modernization’; international institutions and regimes; ‘corporate governance’; ‘new public management’ strategies; and ‘new practices of co-ordinating activities through networks, partnerships, and deliberative forums’ – and Rhodes (2000) adds



two more: governance as a ‘socio-cybernetic system’; and governance as ‘the New Political Economy’.

These conceptual frameworks – and many, many more – provide a broad academic backdrop for the current discussion. In nearly all of these analyses, however, the task appears to be to identify, chart and systematize general problems of authority and steering from a ‘new governance’ perspective. The analysis begins with a recognition that the traditional role of ‘governing through governments’ is changing, and that – depending on the choice of theory as to *why* it is changing – there are alternative ways to think about the new situation: and these are different ways of ‘governance’. One of the foremost representatives of the discourse, Jon Pierre, concludes his book, *Debating Governance*, with the following general observation (2000: 241):

One of the key research questions in this research focuses on the new or emerging forms of “steering” that seem to be replacing more coercive policy instruments and command and control systems of institutional coordination. Governance theorists see the role of government in governance as a contextual phenomenon; the pursuit of the collective interest takes different forms in different political and institutional contexts and governments can be either the key, coordinating actor or simply one of several powerful players in that process.

This captures the general mode of the current governance discourse, and provides a reference point for the present perspective. Rather than starting with the ‘pursuit of the collective interest’, this is starting with the pursuit of sustainable development. Instead of taking the point of departure in phenomena creating problems for ‘coercive policy instruments’, one starts with the posited functional characteristics of a normative political programme. And instead of viewing the role of government in governance as a ‘contextual phenomenon’ to be relativized, one views the role of the national government as primarily the legitimating agent for the programme, and secondarily the ‘chief executive officer’ for putting it into practice. The ‘form follows function’ perspective outlined here thus emerges as a relatively new and different mode of working with the governance question. This does not mean that one doesn’t draw on the broader discourse in the conceptual work. Of course one does. But the ‘house’ of governance studies has many rooms, and there is a need for one more. It is after all one of the oldest construction projects in the social sciences, and clearly needs a bit of ‘greening’.

### **Improving Governance for Sustainable Development**

The title for this section is borrowed from the title of the introductory essay to the OECD collection of national case studies on *Governance for Sustainable Development* (2002a). With such a prominent focus one might have expected

the OECD to devote attention to its understanding of the term ‘governance’. This is not the case, however. No definition is provided in this publication. There are, however, two (very short) definitions in related publications in the area. The important agenda-setting publication *Sustainable Development: Critical Issues*, states (in the ‘glossary’) the following: ‘Governance: The way that a corporation or government organises and carries out its economic, political and administrative authority’ (2001b: 481). And in the comprehensive ‘resource book’ on *Sustainable Development Strategies*: ‘The term governance refers to the *process or method by which society is governed*, or the “*condition of ordered rule*” (Rhodes 1997)’ (OECD 2002b: 19, Box 2.5, emphasis in the original).

Pithy as these definitions are, they nonetheless capture the major thrust of OECD work in the area. Bringing about ‘ordered rule’ through ‘governing’, with an emphasis on decision-making institutions and the procedures and instruments of strategic management, clearly reflects the OECD orientation. This is hardly unusual given the history of an organization that has mainly functioned as a professional advisory body to governments on policies for economic development and that is now applying a similar *modus operandi* to the goal of sustainable development. As forthrightly stated in the ‘critical-issues’ text: ‘Among international organizations, the OECD, with its economic expertise and diverse skills across the entire policy arena, is uniquely placed to contribute to this process’ (a multidimensional approach to sustainable development) (2001b: 120).

Thus, in sharp contrast to much of the academic discourse on governance – which focuses largely on the consequences of posited reductions in governmental power and steering capacity – the OECD line firmly upholds the necessary and legitimate authority of the state vis-à-vis the SD programme, and seeks to find ways to improve the state’s overall implementation efficiency. Note, however, the qualifying term: ‘overall’ efficiency. The OECD does *not* endorse a state committed solely, or even primarily, to command and control steering. It has been a leader in advocating market-based instruments, and, with respect to sustainable development, has promoted a broad range of cooperative, institutional and informational mechanisms (2001b: Ch. 5, 2002b: Ch. 8). The primary focus point from an OECD perspective appears to be an emphasis on *governance as a managerial responsibility for SD implementation*. The nature of the actual ‘steering’ involved can vary considerably from sector to sector, target to target, and instrument to instrument. The point is to get the job done as effectively (and efficiently) as possible.

And, as has been seen, the facilitative project of the OECD has resulted in a focused and comprehensive set of strategic principles and implementation guidelines. It has also led to the ‘checklist’ for ‘good SD governance’ used in the first section above. There can be little doubt that the highly professional

and well-founded prescriptions of the organization have had a major effect on the diffusion and implementation of SD thus far.

There is, however, one aspect of the approach that requires closer scrutiny. The recommendations of the OECD are very strong on strategic principles, governing mechanisms and policy instruments; less strong on identifying *barriers* to implementation and their underlying dynamics; and least strong on bringing out and working with the *inherent barriers of liberal-pluralist democracy*. This is not to say that the organization is unaware of the problem. Barriers of different kinds are mentioned throughout, and at least some of the problematical aspects of existing democratic practices (particularly the periodic electoral cycle as an obstacle to long-term planning, commitment and execution) are indicated. The only explicitly democratic mechanism that is given extensive coverage, however, is participation/stakeholder involvement, and this is – in line with the SD programme itself – treated very ‘deferentially’. Perspectives of the type put forth by Meadowcroft are only hinted at, and numerous other aspects of the Western democratic ‘canon’ are left resting on their axiomatic laurels.

Hardly surprising one might say. The role of the OECD has been to do anything *but* question the basic tenets of the Western model for economic and political development. Indeed, it is testimony to just how serious the organization takes sustainable development that it is at all willing to even *indicate* the problem. But problem it is – and it requires more systematic attention (and less nervous protection) than either the OECD, UNCSD or EU have thus far managed to bring forth.

## **Democracy and Sustainable Development**

To avoid any misunderstanding from the start, the author will repeat the clear message from the Introductory chapter. The purpose of the ‘form follows function’ approach is to explore and rectify potential obstacles to the implementation of sustainable development. Such obstacles can arise in relation to a broad spectrum of economic, social, cultural and political features of high-consumption liberal-pluralist societies. The individual case studies have highlighted different aspects of this spectrum in an effort to elucidate the implications of SD ‘differentness’. The purpose of this final section is to focus solely on the potential obstacles between democracy and sustainable development, so as to: (1) confront the issue more openly and systematically, and (2) indicate possible ways of resolving functional dissonance. It must be completely clear, however, that the normative-conceptual boundaries for potential reform must enclose *only* alternative ‘democratic’ solutions. Any potential institution, procedure, mechanism or instrument that is not ultimately under the constraints of ‘procedural democracy’ (Dahl 1979, 1989), is in principle excluded.

Previous treatments of the relationship between existing democratic values and practices and the posited exigencies of sustainable development have resulted in different constellations of potential conflicts and possible solutions (Lafferty and Meadowcroft 1996: Ch. 14; Lafferty 1996b, 2000, 2004). James Meadowcroft has also pursued the participation and stakeholder involvement aspect along similar lines (Meadowcroft 1999 and Ch. 6, this volume). What this section will try to do here, therefore, is simply highlight the major points of conflict and their possible solutions within the framework of ‘differentness’ outlined in the introduction.<sup>9</sup>

### **An ‘outside-in’ programme**

As has been seen throughout the book, the fact that the SD programme – with its unique demand of integrating environmental and developmental concerns – originated in, and was adopted by, international organizations and processes, poses particular challenges to existing democratic practices. Not, of course, because the programme involves an international agreement and commitment. There are hundreds of such ‘regimes’ coordinating and regulating developmental and environmental problems. The major difference between these agreements and the SD programme agreed at Rio is related to *the nature and scope of impact*. As clearly evident in the recent pioneer study by Victor et al. (1998) on the implementation and effectiveness of international environmental commitments, most of the issues regulated under these agreements are technical in nature and delimited in scope. They impose ‘outside-in’ obligations on specific sectors or target groups, but the point of departure is invariably a common regional or global problem that is highly visible and scientifically scoped. The specifics of implementation are thus relatively clear (at least in terms of ‘compliance’ – if not always in terms of actual behavioural responsibility), and the crucial target groups are virtually always involved in the preliminary negotiations leading up to the formal agreement.

Still, even within this more limited field of ‘outside-in’ commitments, the problems confronting normal modes of domestic decision-making and implementation are considerable. As summarized by Victor et al. (1998: 697):

Implementation often is a complex and difficult process. The difficulty is compounded when policies are negotiated internationally, requiring coordination and at times integration of already complex political and economic elements. At times, international commitments yield none of the intended changes in behavior: officials do not anticipate that some activities will need regulation, they make efforts but choose ineffective policy instruments, or they simply do not have adequate control over their subjects.

If one takes these difficulties and compounds them a hundredfold, one approaches the dimensions of the SD challenge. The entire democratic ‘bias’ underlying studies of policy-making and implementation presumes a basic transparency as to who in the community of actors has pushed for what. The SD programme, on the other hand, ‘arrived’ on the desks of Western cabinets and parliaments with the smudged signatures of a few sectoral politicians, environment and development bureaucrats and selective representatives for selective NGOs. Where were the ‘voices’ of the people? Where were the tacit acknowledgements of support and cooperation from crucial interest groups? Where was the give and take of *either* liberal or corporate pluralism?

The simple answer is that the relatively obscure coterie of proponents who were developing the SD programme had taken these democratic basics for granted. They – and their witting or unwitting governments – had committed the nation to a game that nobody knew how to play, or even knew if anyone *wanted* to play. Had the process not occurred within the normal confines of democratic procedures for international agreements, someone might have cried ‘coup’. As it is, it now stands forth as a unique project at the cutting-edge of international commitment and domestic responsibility: democratically legitimated on the ‘outside’, but operationally demanding on the ‘inside’.

The most fundamental point of tension between liberal-pluralist democracy (LPD) and the SD programme is thus related to its pluralist representative origins. This has led to a significant ambivalence as to the legitimacy and ‘authorship’ of the programme, and a fundamental lack of understanding as to what the programme is about. The first task in democratic reconstruction is thus to correct these deficiencies. It must be put back on the ‘track’ of normal policy implementation politics. Two of the most promising mechanisms here are: (1) high-profile and long-term ‘National Commissions for Sustainable Development’; and (2) government-supported national, regional and local ‘round tables’ of major stakeholders. Both types of mechanisms have been established throughout the OECD area, such that there already exists a large body of empirical evidence that can serve as a basis for evaluating and specifying their potential in both a constitutional and procedural context.

### **A trans-border, supranational programme**

Whereas the previous point reflects deficiencies related to political legitimacy and programme clarity, the issue of trans-border impact is inherent in the nature of the programme itself. There is hardly a single item on the SD agenda that does not imply extra-territorial impacts and trans-border interdependencies. The religious administrative units of the late Middle Ages, and the political administrative units of the ages of nationalism, colonialism and post-colonialism, were/are blind to ecological holism and environmental degradation. The age of national democratic revolutions was primarily interested in carving out

space for political, economic and social projects. If nature came into consideration at all, it was either as a factor for economic development or defence.

Democratic procedures must therefore be adapted to effectively deal with the numerous trans-border aspects of the SD programme. This is mainly a question of coordinating social and economic policies so as to minimize cumulative pressures on the environment within naturally bounded ecosystems. The implementation of *Agenda 21* 'objectives' with support from UN bodies, down through the European Union and regional organizations like the Nordic Council, to nation-states, sub-national regions and local communities is the type of 'layered' democratic steering that is necessary. As clearly documented by Bomberg (Ch. 3, this volume), SD concerns have been a prominent issue in the evolution of the EU 'constitution', and will apparently be retained in the new 'Constitution for Europe'. SD strategies, building directly on UNCED, have also been formulated by the EU, by the Nordic Council of Ministers, and by every member state of the European Union. Initiatives related to local and regional *Agenda 21* pursue the same agenda at the sub-national level – often consciously coordinating SD themes on a specific regional–ecological basis (Lafferty 2001; Lafferty and Narodoslawsky 2003).

So, in this area there is an active positive potential for developing more effective SD governance. The point that must be stressed, however, is that, with the exception of the European Union and Canada, such multi-layered systems with an SD orientation (however weak) are not in place. Furthermore, even where they are in place, there are still major deficits in the capacity of citizens to identify with, support, and prioritize the underlying SD concerns of the trans-border region. While the question of priorities can ultimately only be resolved through open democratic dialogue, the question of identity and support underpinning such a dialogue is a matter of education and awareness. Here the 'Local Agenda 21' campaign coordinated by the International Council for Local Environmental Initiatives (ICLEI) has resulted in numerous forms of consciousness-raising and educational activities. In many of these, public school curricula have been revised to include elements of 'ecological citizenship' as supplementary to mandatory courses in national citizenship (Wickenberg 2000). Basic curricula in geography and economics have also been altered to include SD issues, such that initiatives for addressing this particular aspect of LPD–SD dissonance are clearly available.

### **A transformative programme**

Whereas the first two SD characteristics pose challenges to the nature and scope of democratic 'community', the remaining three raise questions of the operational 'rationality' inherent in the LPD model (see Dryzek 1987, 1996; Lafferty 2004). As clearly stated in the Introductory chapter, the goals of the SD programme indicate a type of society that is markedly different from

current high-consumption societies. Though several authors are of the opinion that sustainable development is simply a form of ‘eco-modernization’, whereby liberal–pluralist market societies can integrate environmental concerns into the LPD model (see Langhelle 2000b for references), the author and several colleagues are of a different opinion (Lafferty 1996a; Lafferty and Langhelle 1999; Langhelle 2000b; Lafferty and Meadowcroft 2000). In their view, a realization of the SD programme – particularly in the area of sustainable production and consumption, but also with respect to global and generational equity – implies a fundamental reorientation of basic tenets of the Western liberal–pluralist–capitalist model. The path of sustainable development is in this view a markedly different path from the economic development pursued by OECD countries prior to the Brundtland Report.

Perhaps the easiest way to communicate this feature is to focus on the issue of ‘decoupling’. As pointed out in several places in the present volume, the OECD has chosen this term to focus what many believe to be *the* definitive challenge to highly industrialized societies. The hypothetical viewpoint for the idea is a perspective on any given national economy where one first has systematically identified the factors of production and consumption that are ‘driving’ the economy, and then demonstrated how these drivers are exerting ‘pressures’ on the ‘states’ of life-support systems and natural resources. By assessing pressures and states in relation to reasonable standards for what is necessary to satisfy the basic life needs of present and future generations, one arrives at an understanding of the connections between drivers and their non-sustainable effects (‘responses’). It then becomes the task of decision- and policy-makers to ‘decouple’ the most damaging of these connections, so as to move from non-sustainable to sustainable development.

This is obviously a simplistic idealized model: one that rests on two functional requisites that clearly ‘stress’ existing decision-making structures. One is the task of setting standards for determining non-sustainable driver pressure response connections; and the other is to find an effective way to handle the inevitable conflicts of interests, trade-offs and reallocations that will inevitably result from decoupling.

The first takes up the challenge outlined above on goal clarification, where ‘round tables’ and other forums can help to overcome ingrained thresholds of opposition to the entire idea of ‘scoping’ for decoupling. But it adds to this a much more demanding challenge in terms of achieving an operational consensus on the nature and meaning of indicators with respect to ‘limits’, ‘sustainable stocks’, ‘basic needs’, etc, etc – all the parameters that are necessary for consequential, change-oriented discourse.

In this connection, liberal–pluralist decision-making bodies are primarily designed to represent partial interests in open conflict with other partial interests, with the majority being granted a periodic advantage. But *if* the idea of

'limits of nature' has any credence at all – and major scientific bodies within the UN, EU and OECD indicate that it does – the principle of majority rule among non-scientific interests just won't do the job. Moving from a system where nature has largely been taken for granted, and where the key parameters for regulating change have been largely limited to measures of man-made and human capital, to a system where natural science is entrusted with setting the 'objective' limits of the game, will clearly not be easy. Also here, however, there are numerous examples of national scientific advisory commissions, consensus conferences, inter-departmental task groups, specialized subdivisions within national statistics offices, and highly focused international and regional efforts on indicators for sustainable development and even 'sustainability science'. So the tools and models are clearly at hand – and Lundqvist's detailed presentation of the Swedish initiative on ecological sustainable development illustrates just how comprehensive the use of indicators and benchmarks can be. In general, the task is to recognize that decision-making for sustainable development can be much more 'substantive' and delimiting than the dominant model of 'competitive democracy' is used to.

With regard to the second aspect – conflict resolution – this is principally a matter of recognizing that a serious transition in the direction of SD clearly will create considerable conflict. There will be winners and losers; questions of rights and compensation; attempts to subvert change; and perhaps most importantly the need to 'recouple'. Once again, standing bodies, where major stakeholders are united under the general goals of the SD programme, can help to ease this aspect of the transition. But at a much deeper level there will surely arise a need for new legislation and sanctions. Not as an end in itself, but as a response to failed cooperative efforts. There can be no doubt that this particular 'revolution' must be based on not only the 'rule of law' but the rules of 'deliberative democracy'. Such rules must also, however, be anchored in constitutional principles that reflect the perceived 'urgency' of the programme (see below). No better example can be given here than the current debate in Europe over the status of sustainable development in the proposed European Constitution. An effective system of conflict resolution (and 'reconciliation') is essential to the long-term success of the SD programme, and constitutional privilege is a vital key to effective judicial procedure.

### **A holistic, interdependent and contingent programme**

With this characteristic one confronts one of the most ambitious and demanding features of the SD programme. O'Toole refers to this feature as a 'metapolicy': 'a policy designed to guide the development of numerous more specific policies' (Ch. 2, this volume, p. 38). This cuts to the heart of the matter. In its essence, sustainable development is about reducing the overall – global – pressures on life-support systems and natural resources resulting from



the ‘drivers’ of development. Such drivers are principally related to economic activity. But given the fact that social, cultural and political development are to a large degree functionally related to economic processes, policies in these areas must also be scrutinized to determine their impacts on the ecological/environmental ‘states of nature’. And this in sum is what the Rio Declaration and *Agenda 21* are about. The core principles of sustainable development are designed to serve as a meta-policy for coordinating, steering and prioritizing the entire range of issue areas and ‘major groups’ designated in the agreed documents.

It is also to this feature that several of the book’s chapters speak most directly. O’Toole as a key challenge to implementation research; Bomberg as a challenge to EU governing principles and bodies; Lundqvist as the primary ‘objective’ driving the managerial strategies of Sweden, the Netherlands and (possibly?) the EU; Aguilar Fernández as an in-depth case of how one national political system has apparently failed to grasp and take on board the essence of the feature; Meadowcroft as a major challenge to the effective structuring of participatory input; Lafferty as an essential feature of policy integration for decoupling; Ruud as a goal for business that proves so complicated and interdependent that even the most pro-SD efforts can ‘rebound’ with unanticipated effects; and Jörgens as a challenge to national strategic planning that requires extensive clarification and operational assistance from international associations devoted specifically to the task. Only Bressers chooses to bypass a direct confrontation with the meta-policy, focusing instead – in the service of more effective instrumental theory – on individual policy instruments.

With respect to the specific challenge to LPD institutions, it is the contributions of Meadowcroft and Lafferty that most specifically focus on the tensions between form and function. Their themes also directly reflect two of the three major issues of ‘governance for sustainable development’ highlighted by the OECD: ‘the challenge of policy integration’ and ‘the role of civil society’ (OECD 2002a: 11–29). (The third issue, ‘creating a longer-term view’, is treated under the fifth characteristic below.)

Without going into detail one can simply say that many of the most crucial problems of matching existing LPD institutions to SD requirements exist at the interstices between these two issue areas. Integrating core SD values and principles horizontally and vertically within governments, and finding effective ways to involve and mobilize civil society into the formulation and implementation of sectoral policies, is the very essence of governance for sustainable development. The chapters by Meadowcroft and Lafferty outline both principles and possible institutions that can deal with this challenge. At the core of their arguments are two related propositions that pose direct challenges to existing LPD wisdom: (1) that the task of SD meta-policy integration involves both an overhaul of intra-governmental steering mechanisms *and* a principled

priority for sustaining life-support systems and natural resources vis-à-vis economic and social welfare demands; and (2) that stakeholder participation in the specification and implementation of the SD programme is more crucial to success than either communitarian or citizen participation.

### **A normative long-term programme**

Of all the five characteristics, it is this one that most directly reflects the standard definition of sustainable development – whether in the truncated or complete version. (See Lafferty, Ch. 1, this volume, p. 1). The incorporation into current developmental decision-making of the interests of both ‘future generations’ and ‘the world’s poor’, and the admonition to consider those interests in terms of ‘essential needs’, poses enormous conceptual and institutional challenges for liberal–pluralist democracy. Not only do these demands radically stretch basic notions of the composition of the ‘demos’ (community of citizens) and representative democracy; they also pose normative demands for equity and substantive demands for the determination and satisfaction of ‘essential needs’.

Further, they imply a long-term political commitment that is *very* much longer than either normal electoral cycles or the longest of ‘long-term plans’; stretching (in the most common formulations) to at least ‘several generations’. The libertarian constitutionalists of the eighteenth and nineteenth centuries – architects of today’s dominant democratic ‘form’ – would surely have viewed *themselves* as ‘demi-gods’ if they had to take on these issues as well.<sup>10</sup> How to institutionalize adequate representation for ‘future generations’ and the ‘world’s poor’; how to create policies that can guarantee an equitable satisfaction of ‘essential needs’ – at home, abroad and in the future; how to ensure that the ‘authoritative allocations’ made remain in force generation after generation: this is hardly the stuff of Western constitutionalism and institution-building.

Yet, without a serious effort to take these requirements seriously, one is surely not addressing some of the most fundamental principles of the SD programme. And in this regard it is again interesting to see how the OECD handles the issue. After clearly identifying the problem as one that ‘puts great strain on the traditional organisation of democratic systems’ (OECD 2002a: 30), the treatment immediately narrows to focus only on a need for ‘precautionary decision-making’. Emphasis is placed on the strengthening of ‘long-term capacities in government’, but the follow-up in terms of possible models and best practice is limited to the provision of better long-term knowledge and recursive evaluation. While these clearly are important issues for SD governance, they appear to link ‘precaution’ only to the aspect of potential environmental damage, and do not confront the issues of democratic ‘strain’ outlined above.

That the OECD should shy away from these issues is perhaps not surprising. Until quite recently there has been very little practical scholarship to draw on here. Pioneers like Carl Cohen (1971) and Robert Dahl (1979, 1989) had elucidated the nature of democratic 'community' and the constitution of the 'demos', and several other normative theorists had made important contributions on the broader issue of generational equity and entitlement (for example Barry 1977; Feinberg 1981; Partridge 1981; Goodin 1985). Interest in the area picked up considerably in the wake of the Brundtland Report (for example, Goodin 1990, 1995, 1996; Malnes 1990, 1995; Redclift 1993; de Shalit 1995; Dobson 1996, 1998; Rippe and Schaber 1999; Slaton and Becker 1999; Wetlesen 1999; Ball 2001), but nearly all of these studies operate on a relatively abstract level of analysis. They provide a much more enlightened discourse on the moral issues underlying this particular SD characteristic, and in some cases offer speculative profiles on possible institutional reforms, but have no more than opened the door on the very difficult trade-offs involved.

In Norway, Westby (2003) has recently conducted a critical overview of the different mechanisms suggested in the literature for bringing the interests of future generations into contemporary decision-making. These include the issuance of different types of rights and entitlements; information campaigns directed at increasing citizen awareness; proxy representatives in elected assemblies; different forms of 'ombudsmen' and 'guardians'; and a more active integration of generational interests in environmental planning and national SD strategies. Westby's conclusion is that all of these possibilities pose serious challenges to existing democratic values and parameters – but that there are also very good arguments for how and why they can be incorporated within a more generic democratic canon. What is now needed is an effort similar to the OECD's work on policy integration: focused case studies on how the issue is being treated (or not) among the signatories to the Rio Accords.

Finally, on the issue of the 'world's poor' and 'essential needs'. The good news is that this particular aspect, in the form of development assistance and poverty relief, has long been a major responsibility of United Nations organizations; has long been a central policy issue in the national politics in Northern countries, with strong lobbies and NGOs pushing for change; and has recently, at the WSSD in Johannesburg, been pushed to the top of the SD agenda. The bad news is that the 'world's poor' are not only still with us, but that their total numbers have increased; their relative position vis-à-vis the 'world's wealthy' has decreased; and they are no closer to having their essential needs met today than in 1987.

In short, within the purview of governance for sustainable development here applied, the challenge is clearly one of declining commitment and effective engagement with the issue in Northern countries. There are more than

enough mechanisms available; there are thousands of analyses of why poverty is increasing (despite significant ‘success stories’ among the transition countries); and strong and resourceful advocates of change – individual politicians, political parties, international organizations, national and international NGOs – are in place. The only mechanism that clearly isn’t in place – or at least is not functioning adequately to the problem – is a mechanism for ensuring stronger and more effective integration of ‘poverty concerns’ in national and sectoral policies and priorities. With a stronger ‘scoping’ of the relationship between sectoral ‘drivers’ and global poverty, based on a vastly improved knowledge base as to the nature and status of ‘essential needs’, there is at least a possibility that policy options could be expanded from the current focus on financial aid.

Issues of poverty are at present almost exclusively treated within the foreign affairs ‘sector’, with a one-sided focus on bilateral and multilateral development assistance. The relevance of the rest of domestic ‘business and politics as usual’ – with respect to both existing negative impacts and possible positive initiatives – remains obscured. Given the widespread scepticism to further economic growth among many of the leading critics of the SD programme; and given further the apparent lack of success in mobilizing *and* applying financial aid to combat poverty; a stronger political commitment and more effective system of integrating poverty concerns into sectoral priorities and policies would appear to be a *real* ‘win-win’ option.

## A CONCLUDING OBSERVATION

Left with the task of trying to condense the implications of the three ‘discourse dialogues’ for the ‘form follows function’ theme, the author would venture the following – totally personal – observations.

First, having accepted the basic premise of ‘differentness’ attaching to the SD programme, the individual studies provide highly focused academic input to the strategic research efforts of the OECD, EU, EEA, Nordic Council and other facilitative organizations committed to the principles, goals and objectives of the UNCED programme. The contributors have been willing to put aside the question of what sustainable development ‘really’ entails, so as to probe the implications of what it appears to entail within the context of international agreements and commitments. The results indicate that this may be a very effective way to improve communication and heighten relevancy between researchers, practitioners and professional policy facilitators.

Second, academic policy and implementation research has much to offer – and much to learn – in dialogue with strategic research. Many of the internal concerns of the sub-discipline – as to, for example, scientific status, methodological standards, and cultural boundedness – are often both *very* internal,

and culturally bound. One does not have to hark back to the meta-scientific ‘wars’ of the 1960s in the United States and Great Britain to plead for greater external relevance and less internal competition and exclusivity. It is amazing to see how similar the criteria for effective policy implementation laid down by Sabatier and Mazmanian in 1979 are to those now being promulgated by the OECD, EEA and other facilitative organizations. What has happened ‘progressively’ in the meantime, and is there better policy implementation for it?

Finally, the relationship between dominant Western democratic norms and practices and the apparent functional exigencies of the SD programme is much more conflictual than generally assumed. The constellation of active supporters of the SD programme – international and national officials as well as representatives from NGOs – has consistently wrapped the programme in the folds of democracy, transparency and accountability. There is much to indicate, however, that these folds may be as constraining as they are liberating. One should not expect that a programme that has as its principal objective the transcendence of an unhindered and non-reflective market-liberalism, should find itself in harmony with that system’s form for democratic governance. Nor should one be overly nervous about the problematic itself. Democracy has always had to adapt its form to contemporary functional demands; and it is the business of architectural political science to aid in the transition. Democracy for a sustainable society can clearly look different from democracy for a liberal-pluralist market society – without losing its essential democratic nature. Form follows function – but not without help.

## NOTES

1. The survey was conducted by the Norwegian Market and Media Institute (MMI) in July 2002. The results are available at the ProSus website: <http://www.prosus.uio.no>. The fact that as many as 30 per cent had heard about *Agenda 21* is attributable to the high level of activity in connection with ‘Local Agenda 21’ between about 1997 and 2002. The same survey indicated that only 7 per cent had actually received information on *Agenda 21* from either authorities or NGOs. Norway has otherwise not yet translated *Agenda 21* to Norwegian. A National Strategy for Sustainable Development was presented just prior to the WSSD in 2002, and a ‘National Agenda 21’ action plan was presented in October 2003.
2. For Norway see Langhelle (2000a) and Lafferty et al. (2002). For Denmark see Andersen (1997) and Andersen et al. (1998).
3. See Langhelle (2000a), Hovden and Torjussen (2002) and Hovden and Lindseth (2004) for the major lines of development in Norwegian climate policy. As cited here, the statement by Berntsen came in a question-answer session following an invited lecture at the Centre for Development and the Environment (SUM/ProSus) at the University of Oslo in May 2001.
4. This is hardly a contentious profile within the sub-field. But, for the record, here is a sample of assessments from the most recent overview of implementation research: ‘During the barely thirty years of implementation research no general implementation theory has

- emerged, although many implementation scholars have had the development of such a theory as their ultimate, yet far-sighted objective. The implementation sub-discipline has been characterized by many different approaches representing different research strategies, evaluation standards, methodologies, concepts and focal subject areas for research' (Winter 2003: 206); 'According to Peter May (1999) conceptual ambiguity and confusion have severely hampered theory development in implementation research' (Winter 2003: 207). The commonality of such assessments does not hinder, of course, the potential for positive developments in the field (as perceived, for example, by O'Toole [2000] and present volume); but it does indicate that there is, as yet, no scientific 'high ground' for graded assessments of relevance. Stated another way, it appears to this observer that the field is in fact characterized by an ongoing confluence of the alternative values and perspectives inherent in Lasswell's differentiation between 'knowledge *in* the policy process' and 'knowledge *of* the policy process' (see Parsons 1995: 19–22).
5. Such a formal assessment has been provided, however, by Edella Schlager in Sabatier's own volume (Schlager 1999). Her upbeat conclusion notwithstanding, the detailed exposition of the strong and weak points of the different frameworks is pointedly indicative of just how short the two front-runners have come on the road to 'progress'.
  6. Whether or not Sabatier – not to mention Ostrom – would accept the logic of the match-up is impossible to say. The author's own assessment is that the IAD approach is more clearly 'institutional' than the ACF approach is 'ideational', but anyone who *really* wants to get confused on this should consult Schlager's detailed exposition of the two theories in the Sabatier volume (1999). For present purposes it is enough to accept the understanding of the two approaches and their implications as communicated by Jordan et al.
  7. It is interesting to note here that Jordan et al. actually formulate a perspective similar to the one presented here, but seem to dismiss it out of hand as uninteresting for their theoretical concerns: 'Until now, NEPIs have tended to attract the attention of environmental social scientists, international agencies and think tanks. Economists, who like to extol the theoretical advantages of economic instruments in particular, dominated the early literature on NEPIs. The OECD and EEA have emerged as important disseminators of best practice in the industrialized world . . . Although immensely useful, this literature tends towards description and is also quite normative. Moreover, it also ignores (or downplays) the bureaucratic and institutional context in which instruments are selected and deployed, and the politics that surround their use' (Jordan et al. 2003: 7).
  8. In addition to the references listed in the individual studies here, the interested reader should consult recent work being done at ProSus by Gard Lindseth on the application of discourse theory to problems of SD implementation. Lindseth's goal is to both explicate and adapt discourse theory as a more structured methodological approach to SD problematics. See Lindseth (2001a, 2001b) and Hovden and Lindseth (2002, 2004).
  9. Shortly before submitting the manuscript to the publishers, the author was made aware of a recent publication that apparently covers some of the same themes treated here – though not in relation to the UNCED programme of sustainable development. See Barry and Wissenburg (2001).
  10. The term 'demi-gods' is a popular phrase in American constitutional history. Referring to the members of the Constitutional Convention assembled in Philadelphia in 1787, it derives from a letter from Thomas Jefferson in Paris to John Adams in London: 'It really is an assembly of demi-gods'.

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