

Introduction

GOVERNANCE TOWARDS SUSTAINABILITY: MEETING THE UNSUSTAINABLE PRODUCTION AND CONSUMPTION CHALLENGE*

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In recent years a topic has appeared on the environmental policy and research agenda: non-sustainable production and consumption patterns in modern Western societies. Political authorities, researchers, and business and civil society stakeholders became aware of a long-underestimated environmental challenge: the challenge of coping systematically with environmental problems caused by products and services. Of course, challenging the ‘consumption society’ in industrialised worlds had been a key issue among more radical environmentalists during the 1970s. However, the 1970s idea of ‘revolution or doom’ was too inflexible to be actually transformed into policies. It has been predominantly a matter of civic society discourse rather than a backbone of ‘materialised policy’, which, by nature, relies on an incremental and pragmatic policy approach.

Currently, it seems that production and consumption issues are entering polity, politics and policy of Western societies. The increasing significance of production and consumption issues accompanies a transformation from a government to governance

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approach in environmental policy. Ideally, one can judge this a ‘traditional’ environmental policy approach against a ‘modern’ environmental policy approach (see Table 1). What are the differences? There is obviously a change in the leading political guideline. While in the past control and reduction of risks and environmental damage dominated, the ‘regulatory idea’ of sustainability has become the overriding and largely agreed objective of modern environmental policy.

	‘Traditional’ environmental policy	‘Modern’ environmental policy
Political guideline	Control of risks and damages	Sustainability
Main policy principle	Command and control	Push and pull
Responsible actors	Government	Society (‘shared responsibility’)
Type of policy	Confrontation	Co-operation
Issues	Separation of issues, single issues	Integration of issues, system issues
Behaviour principle	Reactive behaviour	(Pro)active behaviour
Regulation principle	Government regulation, governmental control	Self-regulation, self-control, self-organisation

TABLE 1 Idealised characterisation of trends of environmental policy approaches

Source: Oosterhuis et al. 1996: 219

The role of the state changes from a ‘commanding state’ towards a ‘negotiating state’ reflecting more general developments in modern societies: that is, the increasing autonomy of societal subsystems, namely the economy. The political system is no longer the natural steering centre of societies. Consequently, the main policy principle is shifting from command-and-control to push-and-pull approaches while the responsible actor is not only the government but society itself. ‘Shared responsibility’ has become a key phrase for effective problem-solving based on societal acceptance and legitimacy. The former confrontation principle of policy is supplemented by a form of co-operation between state and society. This is leading to new types of policy regulation supplementing strict government control: namely, delegated and regulated self-regulation. Proactive behaviour of societal actors—that is, acting in a more environmentally sound way before official regulation is in force—is gaining further attention. The government is mainly in charge of setting the general framework to level the playing field.

Integrated product policy exemplifies this new form of environmental policy. However, the governance approach of integrated product policy has not yet been dealt with intensively. With this book we want to fill this gap. The book is a result of intensive discourse and back-office reflections. The **Institute for Ecological Economy Research (IÖW)** together with the **Academy Frankenwarte** and the **German Ministry for the Environment, Nature Conservation and Nuclear Safety** organised an international summer academy entitled *From Government to Governance: The Case of Integrated Product Policy (IPP)* held in Würzburg, Germany, 7–11 September 2003. The summer academy was financially supported by the German Ministry of Education and Research (BMBF) within the research project ‘Governance and Sustainability’ carried out by IÖW.

The four-day event gathered around 40 national and international experts with a great variety of professional backgrounds: among others' policy-makers, researchers and consultancies, and representatives from business, environmental and consumer associations.

The aim of the summer academy was to discuss integrated product policy in the context of sustainability and governance. The organisers felt that, since IPP is still under construction and an ongoing process, intensive debate on how to conceptualise, institutionalise and implement an efficient and effective product policy is very helpful and urgently needed. Therefore, the plethora of conceptual foundations and governance strategies according to differing rationalities among involved and affected stakeholders were in focus. The vast majority of contributions within this book rely on lectures held during the summer academy. However, in addition we invited several experts for contributions to air their views on topics we felt to be under-represented at the summer academy. Even a four-day event is unfortunately not able to shed light on every relevant aspect of the governance of integrated product policy.

The book is divided into four parts:

- The first part elaborates on the governance approach of integrated product policy. You will find breakdowns and in-depth discussions of the main theme underlying the book: to illustrate the governance approach of integrated product policy and current sustainable consumption and production policies
- The second part exemplifies policies in practice at national, supranational and global level. The sample of contributions shows the multifaceted picture of ongoing product and consumption policies in multi-level governance. It reveals differing approaches in product policy formulation and implementation reflecting different values, interests and 'system boundaries' of involved political actors—an interesting juxtaposition of multi-level governance approaches composed by policy-makers
- The third part, entitled 'Shaping a policy mix: understanding the challenge', explores the task of designing coherent policy mixes for supporting sustainable consumption and production patterns. The contributions vary with respect to their leading research perspective: that is, industry sectors, thematic environmental policy such as waste management and environmental policy integration
- The fourth part outlines how to get stakeholders involved in integrated product policy in order to encourage continuous product innovations for sustainability along the value chain

Renate Mayntz opens Part I by elaborating on political steering in modern societies. The transformation from government to governance goes along with a certain shift from a hierarchical to a more co-operative form of government observed by political scientists at the beginning of the 1970s. Implementation deficits in a series of policy fields yield disappointments with the state as an effective political steering centre. As a consequence, a broadening of alternative modes of political steering has taken place, resulting in the existence of hybrid forms of regulation based on interventionism, co-operation and self-regulation. **Andrea Lenschow** highlights patterns and key issues of

environmental governance considering European Union policy-making as an example. ‘New governance or new rhetoric?’ could be the motto of this contribution. The governance debate in EU environmental policy has been triggered by public criticism of EU over-regulation, poor implementation and failures to notably improve the state of the environment. Nonetheless, new participatory forms and instruments have been introduced into the policy-making process with so far mixed results. **Dirk Scheer** introduces the main topic of the book: integrated product policy and current consumption and production policies. He exposes the conceptual approach, outlines the essentials and discusses the governance aspects of integrated product policy. His arguments rely on identifying key issues of an IPP towards goal- and outcome-oriented policy, environmental policy integration, modes of governance regulation and network governance.

The second part illustrates the great variety of integrated product policy approaches in a multi-level governance context. One outstanding feature of the governance of integrated product policy is differing policy formulation and implementation patterns among political actors at international, European and Member State level. **Klaus Kögler** and **Robert Goodchild** from the Directorate General Environment of the European Commission outline the strategy and implementation plan of the European Commission’s Integrated Product Policy. **Guido Sonnemann**, **Adriana Zacarias** and **Bas de Leeuw** from the United Nations Environment Programme (UNEP) illustrate the promotion of sustainable consumption and production at the international level based on a life-cycle approach.

In the following, a nation-state perspective dominates. Policy-makers responsible for encouragement of integrated product policy in their administrations present several European Member State product policy approaches. **Ylva Reinhard** introduces the Swedish approach to integrated product policy. On the one hand, integrated product policy is a part of the national strategy adopted to fulfil the national Environmental Quality Objectives decided by the Swedish parliament in 1999. On the other hand, Swedish authorities are encouraging the further development of the IPP strategy towards a more holistic approach and better conditions for market actors. **Arne Remmen** analyses the rise and fall of a Danish product-oriented environmental policy from a policy cycle perspective: emergence, formulation, implementation and reformulation. Three themes in the product policy are in focus: development of cleaner products, market perspectives and stakeholder participation. **Christoph Rentsch** illustrates Swiss product policy. In 2002, the Federal Council (government) decided on a Sustainable Development Strategy based on the new Swiss Constitution, which elevated sustainable development to the status of a national goal. Under the action area ‘financial policy’ the strategy decided on the introduction of an integrated product policy. **Hans-Christian Steinmetzer** and **Uwe Furnier** from a Bavarian State Ministry investigate IPP at the German state (*Länder*) level. This contribution shows how IPP fits into the guiding principle of Bavarian policy (to limit regulation and to foster co-operation between state and industry) and is therefore embedded in the ‘Environmental Pact of Bavaria’: an agreement between Bavarian enterprises and the state towards sustainable development in the 21st century.

Eckart Meyer-Rutz contributes with some thoughts and comments on the IPP concept from a policy-maker perspective. Finally, **Frieder Rubik** takes a comparative perspective on the European ‘IPP landscape’ according to a policy cycle approach. The con-

tribution outlines differing patterns with regard to IPP formulation, implementation and reformulation.

The third part of the book deals with understanding the challenge for public authorities to shape efficient and effective policy mixes for products and services. **Robert Nuij** discusses the relatively recent establishment of IPP and the ongoing reform of European governance, which seemed to indicate a radical departure from policy-making-as-usual within the EU. However, looking more closely at both policies reveals that, according to the author, they have so far not been able to fulfil the promises they undoubtedly hold. **Ellen Frings** focuses on a specific industry sector: namely, the paper chain. The contribution, based on results of an IPP pilot project, discusses a promising policy mix consistent with, primarily, new environmental policy instruments. However, the results show that incentive policy lacking a 'shadow of hierarchy' has difficulties.

The next two chapters take an end-of-life perspective considering waste management policies. **Bill Sheehan** and **Helen Spiegelman** outline extended producer responsibility (EPR) policies in the United States and Canada. While most Canadian EPR programmes minimise direct government involvement in their management and operation, the US continues to rely on local governments to manage essentially all product waste, often by providing collection, disposal and recycling as a public service. **Naoko Tojo**, **Thomas Lindqvist** and **Carl Dalhammar** analyse extended producer responsibility as a driver for product chain improvement. They understand EPR as a policy principle instead of a policy instrument. While doing so, this strengthens not only the power of the concept in policy-making, but also captures the various mixes of instruments used in EPR programmes, implemented with different levels of coerciveness. Finally, **Ivana Capozza**, **Orsola Mautone** and **Maria Angela Sorce** focus on environmental policy integration while analysing the delivery of integrated product policy in the Community Structural Funds implemented in southern Italy. Within their institutional role of integrating the environmental dimension into overall policies covered by Structural Funds, environmental authorities represent primary actors in the process of supporting the implementation of IPP.

The last part of the book centres on a crucial element of environmental governance on its way towards stimulating societal self-regulatory patterns: that is, stakeholder involvement as an essential for environmental product innovation along the value chain. A key question of this section is what drives actors in a supply chain to integrate environmental and social issues and thereby drive environmental innovation. **Uwe Schneidewind**, **Maria Goldbach** and **Stefan Seuring** find answers by means of complexity management with interpretive schemes. They develop a framework for interpretive chain management and address the interaction between symbols (representing the symbol systems and interpretive schemes in a supply chain) and substances (representing flows of material and information) through examples in the textile chain. **Esther Hoffmann** discusses the involvement of consumers in product development processes as a means of triggering sustainable product innovations. She concludes, among other things, that to stimulate mutual learning processes certain preconditions have to be met: that is, the company has to be willing to provide technical and expert knowledge to the users as well as to integrate user feedback and wishes in its R&D activities. **Katharina-Maria Rehfeld** analyses determinants and effects of environmental product innovations. Considering possible determinants it was found that regulation is still a main driver for eco-innovations. New technology seems to be the second most

important stimulus as an increasing number of firms identify the high ecological and economic potential of the consumption and waste disposal phases. **Claudia Wöhler** discusses integrated product policy as an integral part of corporate practice. She concludes that the solution expertise for product-related environmental protection should be left to companies on the basis of voluntary initiatives and optimal legal frameworks. **Paolo Masoni** and **Roberto Buonamici** deal with a crucial supply-side target group: small and medium-sized enterprises (SMEs). They observe contradictions between existing integrated product policies and the needs of SMEs. They call for specific rules, regulations, standards and certification procedures for SMEs, as the environment is not their priority. Voluntary tools alone are not sufficient and therefore a command-and-control system, rigorous but suitable for SMEs, is, according to them, still necessary. Finally, **Siegfried Kreibe** and **Michael Schneider** contribute with the results of two surveys investigating how well known integrated product policy is within Bavarian industry. They conclude that IPP remains a subject for specialists. However, companies that apply IPP to a certain extent see very good opportunities to reduce costs and environmental pollution and enhanced market opportunities in a mid- to long-term perspective.

Reference

Oosterhuis, F., F. Rubik and G. Scholl (1996) *Product Policy in Europe: New Environmental Perspectives* (Dordrecht, Netherlands: Kluwer).