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How do societies change or evolve? Whether the means to solve problems on a global scale come through technological innovation, changing consumption patterns or providing access to important services, progress depends on the complex interactions of people, businesses, NGOs and government. Learning to co-ordinate these is key to making real gains in sustainable development.




Government and Civil Society

By way of introduction...

In February 2008, rioters in Burkina-Faso took to the streets, angry at the jump in food and fuel prices over the past year. They burned petrol stations, trashed government buildings and stoned a government delegation that had come to discuss the problem. Within a few weeks, similar scenes were repeated in over 30 countries around the world, from Haiti to Somalia, Yemen to Indonesia. The world's poorest were not the only ones feeling the pinch. Italians and Mexicans were also up in arms over the cost of pasta and tortillas, whose price has considerable symbolic value. In the year leading up to the crisis, prices for many staple foods, including wheat and rice, doubled or even quadrupled. The consequences were visible to consumers on shop shelves worldwide, and the effects ranged from the plummeting popularity of governments to the riots described above.

The food crisis illustrates many of the themes we've talked about throughout this book and emphasises the need for a co-ordinated and coherent approach to sustainable development. The interaction of economic, social and environmental factors produced the crisis. What are these factors? As the world economy has expanded, prices of all commodities have increased. Higher standards of living have driven up demand for beef and dairy products, and added to the energy needs of modern agriculture, already a big consumer of oil and other petroleum products for pesticides, fertilisers and transport. Planting crops for biofuel intended to reduce dependency on oil has taken land away from food production, tightening supply and driving prices higher. Major food producers, including Australia and Myanmar, have been hit by droughts and cyclones respectively, further limiting supply. Changes in international trade have led some countries to rely on imports, whose prices they can no longer afford.

 Given the number of factors involved, can anybody control what is happening? Is it possible to reconcile so many conflicting interests? Do we have the means to guide agriculture and other vital activities towards new ways of doing things? This chapter argues that changes, whether negative or positive, do not simply "happen". It looks at how governments and civil society can set local, national and global communities on the path of sustainable development.

Making changes

At its most basic, politics is about making decisions on what is important to a society and how these important issues should be handled. It is a process by which people and groups who may not agree attempt to translate their beliefs into workable rules, or laws, to regulate life within a community. The structures of government that manage these processes are often conservative and the impetus for new thinking has often come from outside. In many cases of major societal change, the pressure to transform laws and attitudes has come from visionary individuals and groups, or “civil society organisations” arguing their case until a critical mass of public opinion and political backing has been reached. Then, what was new and at times shocking, irritating or seemingly impossible, became the norm a part of our political and social fabric.

Think of the changes developed countries have seen over the past 100 years. At the start of the 20th century, horses and walking were the main means of transport, even in the rich metropolises like Berlin, London or New York. If a street was lit at all, it was probably by gaslight. Before penicillin, infectious diseases were often fatal. Women were killed in the fight for the right to vote. Go back a few decades more and slavery was considered normal. Children under 10 years old worked 12-hour shifts in factories, as they still do in some countries today.

How did conditions and attitudes change? How was what seemed natural and unchangeable swept away? There’s no single cause for the major changes in human history. Visionary individuals argued and organised for change. Sometimes a book or other cultural event provoked a shift in conventional thinking – Dickens’ *Oliver Twist* cast a harsh light on England’s 1834 Poor Law Amendment, while Upton Sinclair’s novel *The Jungle*, published in 1906, showed the appalling working and sanitary conditions in the meat industry contributing directly to the creation of the US Food and Drug Administration.

What can this teach us about improving the world? About increasing well-being for people today, as well as leaving a world fit for future generations to make the changes they will deem necessary? Whether solutions come through introducing new technologies, changing consumption patterns or providing access to health care, water and sanitation, the fact is that any and all improvements depend on the co-operation of a number of different actors who interact in a complex and dynamic way.

Moving from a traditional development model to one of sustainable development has been, and will continue to be, a transformation along these same lines. Whereas in the past most development decisions were driven primarily by economic considerations without regard to implications for the social or environmental spheres, the last 20 or so years of discussions around sustainability have transformed the way both public and private institutions conceive of growth, quality of life and other development-related concerns.

Citizens, civil society and progress

Just as no inventor alone in the garage has the means to turn a discovery into a meaningful tool for society, no activist can alone achieve widespread social change. Each of them must communicate and interact with others to prove the merits of the new discovery or idea and convince others to adopt and promote it. Human advancement depends on an ongoing exchange between people and institutions. The decisions we make about how the world should be and how it can be improved depend on interactions among individual citizens, businesses, civil society and governments. These four categories function together in the complex and sometimes chaotic process of decision-making that we call politics.

The term civil society is one we hear a great deal today, one which like sustainable development can be hard to pin down to an exact definition on which everyone agrees. The London School of Economics Centre for Civil Society defines it as “the arena of uncoerced collective action around shared interests, purposes and values.

The groups, associations and movements that make up civil society have played a part in all the important societal changes in the past century or more. Civil society organisations can be dedicated to specific issues or more general struggles. Indeed, they have been key to the success of very significant advances including universal suffrage, environmental protection, workers’ rights and combating racial discrimination.

Sustainable development is no exception. Organisations such as the Sierra Club, founded in 1892 in the US, or Australia’s Gould Group, dating from 1909, were advocating what we would now term sustainability long before politicians and the media gave the matter much thought. Civil society organisations have been present at all

Downwinders at Risk

Becky Bornhorst considers herself lucky – mother, homemaker, she loves her neighbourhood, her city, her lifestyle. But when she looks at the smoke pluming in the distance – an all too familiar fixture in the horizon – she feels frustrated. Becky knows that the cement kilns a few miles away emit levels of mercury considered dangerous to human health. For over ten years she has contributed to efforts to regulate effects of this and other forms of pollution through a very active local NGO, part of a network of groups trying to improve environmental quality in the North Texas region.

“I was a stay-at-home Mom in 1987 when I began hearing stories about hazardous waste burning at the three cement plants down the road in Midlothian, Texas” recounts Becky. “My son was four and my daughter just one year old. I found a notice in our local newspaper about an early childhood parent-teacher meeting with speakers discussing the cement plants.”

Becky went to the meeting with a couple of other mothers and immediately joined other concerned citizens to form Downwinders at Risk. “My goal was to protect my children – I didn’t think we should have to run away from the pollution. But I was naive. I thought we’d clean up the air easily just by organising. It has proved not to be so easy.”

Becky and her colleagues have participated in hundreds of formal hearings and discussions with local and national authorities. They have made progress along the way, winning some important improvements in their efforts to curb the emissions and clean up the air, with support from across the political spectrum.

Yet the rapid growth that has occurred in her area has meant that overall reductions in pollution have not yet been achieved. “My kids are now in college and I’m still trying to clean the air,” she states matter-of-factly. “I never cease to be amazed at the political power of industry and citizen’s lack of it.”

The need to balance industrial activities considered important to a local economy against the potential health risks of pollution and citizen’s quality of life is a challenge facing virtually every community. And it has very often been the case that a problem of environmental degradation has to reach a critical point – for example, at which air quality reaches a dangerous enough level to cause health threats, forcing people to stay inside their homes – before any action is taken to prevent or mitigate the polluting processes.

How important is air quality? What are the health consequences of pollution? The costs? When is it too late to take action to reverse a dangerous trend? These questions are among the thorniest facing societies today. The level of growth in human activity due to industrialisation has produced what could be seen as a turning point in the late 20th century – the point at which the negative consequences of environmental loss and destruction became starkly evident and at which, simultaneously, standards of living in the developed world reached a level such that meeting basic needs was no longer the central task of most people. In other words, focus began to shift from meeting basic needs to also reflecting on the consequences of human activity. From development alone to sustainable development.

of the major meetings that put sustainable development on the map. In fact, they have been instrumental in developing sustainability as an idea and in its translation into concrete practices. They have consultative status at UN and OECD meetings (inclusion that they had to organise and work for) and participate in policy debates. They do research, write policy briefs, and organise collective social action like protests and boycotts. They raise awareness and help educate the public and policy makers.

We talked about the food crisis at the start of this chapter. The Marine Stewardship Council (MSC) is a concrete example of what a civil society organisation can achieve in a domain like this. The MSC is an independent, global, non-profit organisation set up to find a solution to the problem of overfishing. It was first established by Unilever, the world's largest buyer of seafood, and WWF in 1997. In 1999, it became fully independent from both organisations. The MSC works with fisheries, retailers and others to identify, certify, and promote responsible, environmentally appropriate, socially beneficial and economically viable fishing practices around the world.

The MSC Principles and Criteria for Sustainable Fishing is an internationally recognised set of principles to assess whether a fishery is well managed and sustainable. Only products from fisheries assessed by independent certifiers as meeting the standard are able to use the MSC logo on their products. For the first time, this gives consumers a way to identify – and the choice to purchase – fish and other seafood from well-managed sources.

What is the role of government?

A 2003 poll of Canadians showed that car salespeople are trusted less than almost any other profession, with only 10% of respondents finding them trustworthy. *Almost* any other: “national politicians” do even worse, at only 9%. Other people show similar opinions to the Canadians. Government itself is often criticised for a long list of failures, real or perceived: stifling innovation and entrepreneurship through taxes and red tape, caving in to pressure from lobbies and non-representative interest groups, leaving education or health care systems in poor condition. Governing in such a complex world is a huge challenge. Yet democratic governments at least try to make policies that will satisfy people and take care of important issues.

Before looking in more detail at the various tools governments can use, it's useful to recall what tasks governments perform in working for sustainable development. In general, through their data gathering and analysis, policy making and co-ordination, governments can provide support and leadership for moving society in a given direction. They can make sure that individual interests do not detract from the common good. Sustainable development contributes to this good, but actions to promote it may negatively affect the immediate interests of certain people, such as the shareholders of a factory that has to pay higher wages or install air and water filters.

Governments also intervene to deal with what economists call “market failures”, situations in which market forces alone do not produce the most efficient outcome. The “externalities” mentioned in Chapter 5 on production and consumption would be an example of this – situations where the actions of one individual or group have costly consequences for others.

Given the global nature of many of the challenges facing sustainability, nations have to co-operate at the highest levels to design and apply solutions. National governments have the authority and power to do this. They also have the means to ensure that decisions are applied. The three most important means by which governments can influence sustainable development (for better or worse) are regulation, taxation and spending. Each can play a role, but taxes tend to be more cost-effective and flexible than regulations, while subsidies are expensive for taxpayers and consumers.

Regulation

As we said earlier, governments may introduce new regulations in response to social or other pressures, but regulation can in turn have a marked effect on behaviour. Smoking in public places would probably continue without government intervention to ban it, for example. Good regulation is an essential tool for making sustainable development a reality. Social and economic conditions evolve, new materials and technologies are developed, and our understanding of health and environmental effects improves. We have to adapt regulations to correspond to changing conditions, and there will always be a need for new regulation. Nanotechnologies

and biotechnologies hold great promise, but they also raise a number of questions regarding their safety and in some cases the ethical implications of their adoption. Governments have to gather and analyse the evidence and see if there is a need to change or create regulation. Their decisions will have a major impact on how these technologies and the industries that use them develop.

Nanotech and biotech reveal one of the weaknesses of regulation – the pace of change in some areas is far faster than the pace at which the regulator works. In other cases, governments may try to move more quickly than the electorate is prepared for – many people are hostile to changes in legislation that affect their working conditions or pensions for instance. Regulation has other limits, too. If, for example, bans were 100% effective, there would be no illegal drug use, no speeding, in fact no crime or delinquency to worry about at all. Moreover, the way bans, restrictions, standards and other types of regulation are drafted and applied can also cause problems, leading to counterproductive “red tape”. Instead of providing a coherent framework for activity, red tape hinders innovation, stifles initiative and adds unnecessary administrative burdens to economic and social activity.

Regulation can however lead to desirable outcomes for sustainability and increase individual well-being and that of society as a whole. Vaccination and other public health initiatives are good examples, as is the obligation to educate children. We take some of these regulations so much for granted that we may be surprised to learn that they are comparatively recent and had to be fought for, such as regulations concerning the quality of drinking water and food or the safety and environmental impact of automobiles.

Regulation then is not inherently good or bad. This point is recognised in a set of guiding principles for regulatory quality and performance established by the OECD. The importance attached to identifying how any proposed changes to regulation might affect other policy objectives is especially important for sustainable development, where changes in one area may have important consequences elsewhere. The principles also stress that regulation affects, and is affected, by other types of intervention, notably government spending and subsidies and taxes. These are discussed below.

Spending

Governments are big spenders and the way they allocate funds influences practically every aspect of the economy and society. This can have direct impacts on sustainability. A government with a certain sum to devote to transport can decide to invest it in improving the road network or in developing rail services. It can use the energy budget to build new electricity generating capacity or to promote insulation and other energy-saving technologies. Health spending can focus on developing innovative therapies or on preventing common pathologies. International aid can be used to encourage bilateral trade or to promote technical co-operation. In everything from science budgets to welfare programmes, the choices governments make have an impact.

This section focuses on a type of spending the public is generally less familiar with, but which makes up a significant part of most national budgets: subsidies. Many OECD governments subsidise fossil energy, and removing or reforming these subsidies would help policies to tackle climate change. Agriculture may seem a less obvious example, but it is one of the main beneficiaries of subsidies. Consumers and taxpayers transfer over \$300 billion to OECD agriculture each year. Some of this is used to help improve agricultural techniques or quality, but much of it keeps prices high. For example, despite reforms, average OECD domestic prices for rice, sugar and milk are still more than double those on world markets, which is particularly hard on poorer consumers who spend proportionately more than the rich on food.

“Subsidies often introduce economic, environmental and social distortions with unintended consequences. They are expensive for governments and may not achieve their objectives while also inducing harmful environmental and social outcomes.”

*Subsidy Reform and Sustainable Development:
Political Economy Aspects*

Historically, the goal of farm subsidies has been to increase production and therefore food security for a given nation. Over the course of the 20th century, this has meant increasingly mechanised agriculture, a shift towards single crop (monocrop) cultivation, heavy reliance on fertilisers and pesticides, and depending on climate, drainage and irrigation schemes. This so-called “high

input” agriculture resulted in a boom in production. At the start of the 20th century, an American farmer had to feed on average 2.5 people in the country. Today, a farmer feeds over 130 people according to the National Academy of Engineering, and estimates that include exports are even higher.

These advances have major impacts on the environment and on farming communities:

- Highly mechanised agriculture can result in increased soil erosion, as machines break up the soil. This results not only in a loss of fertility locally, but also in water pollution as these sediments run off the surface.
- Conversion from small, diverse fields with hedges to monocrop reduces the niches available to insects and birds. European farmland bird populations have declined by 40% in the last 30 years, and for all but a few species that trend is continuing.
- Nutrient pollution (eutrophication) is the leading water pollution issue. In most areas, farms are the largest source of the nitrogen and phosphorus at the root of these harmful algal blooms.
- Previously pure sources of groundwater are now contaminated by pesticides that have leached through the soil from farms above.
- Irrigation is the largest human use of freshwater, accounting for over 70% of the total worldwide. Reduced river flow and dropping groundwater levels make this use a potential source of conflict. In the case of rivers and other surface waters, habitat for fish and birds is sacrificed to maintain food production.

“Decoupling” aid from production is a key measure: goals for agriculture are changing, and subsidies can be a powerful tool for reaching those new goals. Once again, the food crisis illustrates how numerous strands are interwoven. High prices weaken the case for subsidies and could enable funds to be freed for other uses. But high prices also encourage farmers to produce more. They may as a result abandon schemes to leave land uncultivated so that it can be used for other purposes, such as to encourage biodiversity. Carefully targeted subsidies can help to restore the balance among various policy objectives: this requires transparency regarding who benefits and who pays for subsidies such as the European Union’s Common Agricultural Policy (CAP), and careful co-ordination between the many stakeholders.

“Subsidy reform...can lead to fiscal savings, structural adjustment and enhanced efficiency and productivity in production. Environmentally, the reduction of harmful subsidies can lower negative externalities such as pollution and waste. Socially, subsidy reform can lead to a more equitable distribution of income and balanced long-run growth of communities and countries.”

*Subsidy Reform and Sustainable Development:
Economic, Environmental and Social Aspects*

The impacts of agricultural subsidies (positive or negative) obviously touch the social sphere as well as the economy and the environment. Indeed, it is hoped that the reform of agricultural subsidies will allow farmers from developing countries to compete in the global market. This potential for profit should encourage the development of farming infrastructure in countries that have not traditionally exported, with important implications for local employment, purchasing power and food supply. As seen in the opening of this chapter, food security is once again a concern – worldwide – and all governments will have to develop appropriate measures for encouraging productive and sustainable agriculture.

Taxation and emissions trading

The flip side of the spending coin is, of course, taxes. When we think of taxes and sustainability, so-called “green” or “ecotaxes” come to mind first, since these (like emissions trading) are designed to contribute directly to environmental sustainability by making “bad” environmental behaviours more costly. However, as we’ve argued throughout, the environment is only one part of the process. The social and economic aspects of sustainability are influenced by taxes, too, and in fact are among the biggest items in national budgets. Education for example represents 5% of government spending in OECD countries on average, while health accounts for another 6%. But since “social taxes” existed long before the concept of sustainable development was invented, and their role is rarely presented in this light, their importance is easy to overlook. Nonetheless, through mechanisms such as social welfare schemes, they play an essential role in addressing issues that market mechanisms and private initiatives alone cannot deal with efficiently.

“The environmental effectiveness and economic efficiency of environmentally related taxes could be improved further if existing exemptions and other special provisions were scaled back, and if the tax rates were better aligned with the magnitude of the negative environmental impacts to be addressed.”

The Political Economy of Environmentally Related Taxes

Likewise, taxes are often perceived as hindering economic development, but governments use them and the revenues derived from them to shape and promote economic development. The social and economic roles of taxation overlap in many cases too, as when funds are invested in developing certain sectors or regions, or when social measures are used to ease or encourage the transition from traditional to new activities.

Interestingly, for many sustainable development issues there is a very strong argument to be made in favour of using taxation and other market-based mechanisms *instead* of subsidies: what are the chances that policy makers will identify every initiative worthy of support and make the appropriate subsidy, without accidentally supporting some initiatives which turn out to have negative effects? On the other hand, a very simple taxation mechanism can spur innovation on the part of businesses, as they come up with their own solutions to reduce a particular practice.

There are several reasons to use economic tools for sustainable development:

- They can provide incentives for behaviour that fits with sustainable development goals and deter actions that go against those goals.
- Overall environmental, social and economic costs could be built into prices using such measures, driving markets towards a more sustainable economy.
- They encourage innovation by providing market pressure.
- The revenue generated could be used to reduce other taxes or finance social measures.

A May 2008 Chicago Tribune article put it like this: “They [consumers] can pay high prices to oil producers or to themselves. The tax proceeds can be used to finance programs of value here at home or to pay for cuts in other taxes even as they curb the release of carbon dioxide.”

National strategies: putting sustainable development to work in governments

The governments that signed Agenda 21 at the Rio Earth Summit expressed a certain degree of optimism about sustainable development. For them, the role of government would be central in achieving those goals. It makes sense: sustainable development is a concept with the potential to change many things for the better, but if not firmly anchored in policy-making bodies at all levels of government local, regional, national and international concrete achievements will remain elusive.

In the same way, if policies within one government ministry undermine those in another, progress stalls. Before promoting large-scale tourism for example, it may be wise to ask if the golf courses and swimming pools will mean there's no water left for farmers. On the other hand, if you favour agriculture over tourism, you may lose the chance to create hundreds of jobs in an area with high unemployment. Governing for sustainable development doesn't mean favouring one aspect and neglecting the others; it's about finding the most coherent balance among different claims and devising the most efficient administrative and other means to implement strategies.

“While many countries have formulated and implemented national strategies for sustainable development, many lack the basic design and implementation elements recommended by both the OECD and the UN.”

Institutionalising Sustainable Development

But how do you go about making plans for what you would like to accomplish? Agenda 21 signatories agreed to develop National Sustainable Development Strategies (NSDS), documents intended to fit the specific needs and goals of different countries while addressing the basic sustainable development priorities that the international community (OECD and UN) has agreed on. Given the flexibility allowed, strategies vary widely. Most OECD countries now have an NSDS in place, each with particular strengths and weaknesses. So over fifteen years on from Rio, how are they doing? Are certain countries or regions leading the way? If so, how do they do it?

A recent OECD workshop on best practices for institutionalising sustainable development gave some concrete suggestions. Participants identified a number of indicators of success such as inscribing sustainable development in constitutions and legislation and including it in national budgeting processes. In the following section we'll describe how governments are trying to meet the goals of their national strategies in practice.

What works?

An essential part of a programme's success is its perceived importance. For sustainable development to be taken seriously, it needs to be centrally located in a ministry or department with influence across all government activities in the Prime Ministry as in the case of Austria or in the Ministry of Finance as in Norway. When sustainable development is "anchored" in one of these central functions, its impact is enhanced and more easily coordinated throughout the different parts of government. Sustainable development can also have its own ministry as in the case of France.

"Institutionalising sustainable development, whether through national strategies or other means, will not happen if the person at the top is not determined to make it happen."

Jim MacNeil, Secretary General of the World Commission on Environment and Development in *Institutionalising Sustainable Development*

In the case of new sustainable development ministries, a diverse range of concerns previously separated across government ministries are re-grouped into one. Putting energy, ecology, maritime affairs, territorial planning, forestry and other domains together allows for integrated analysis and decision-making and makes it easier to avoid the pitfall of policies that contradict and undermine each other. Yet this approach can only be effective if supported by the prime minister or president in other words, if its recommendations translate into concrete implementations.

New Zealand shows how the social dimension can be included. The Sustainable Development in New Zealand programme gives equal weight to social sustainable development in relation to the economy and environment, with special attention to demographic trends, new roles of women in society, improvements in health and housing, and better integration of Maori communities.

What does governance for sustainability look like?

“Liveable cities with high-quality infrastructure, green spaces, and inner city residential areas and public projects can contribute to economic success, attracting foreign investors as well as highly qualified professionals and tourists.”

Competitive Cities in the Global Economy

It sounds great in theory, but in practice? The Vauban neighbourhood of Freiburg in Germany was founded on the principles of sustainable living. The idea was to use intelligent planning and design to co-ordinate the different areas of daily life: traffic, building, energy, sanitation, public space and nature. Colourful three-storey structures are interspersed with gardens and playgrounds. Children attend the on-site pre-school and primary. Stores are within walking distance of homes.

For children and adolescents, unicycles seem to be the favorite means of transport. You won't see lots of cars – nearly half of the residents have agreed to go car-free. Speed limits are only 5km per hour, making the streets safe for pedestrians and cyclists.

With a tram line and several bus stops, Vauban is easily accessible by public transport. Freiburg is also home to one of the first “carshare” programmes, where residents pay a small charge to use a car or van when they need one. Construction for this “sustainable model district” respects a low energy consumption standard, where all of the houses beat standard new constructions in energy efficiency, and an additional 150 “plus energy” units produce more energy than they use.

Vauban also gave homebuyers the chance to take a greater role in designing their living space through the co-operative system. It allowed individual residents to invest in a new set of units together and work as a group to decide on customising their building. Not only does this add a creative element to housing, it gives a different meaning to the notion of investment – of the buyer's time, effort and ideas.

Vauban hasn't solved all the problems, but it seems to be doing better than many more ambitious projects, and its experience provides concrete examples of success. As far as governance is concerned, it shows the importance of the “micro” level – listening to the people who are actually going to live in a street before planning that street. It also shows the importance of coherence among the different layers of government. Social diversity objectives were hit by cuts to subsidised housing. Balancing different social interests can be hard too. The need to spend more public money on children is provoking intergenerational tensions.

But no scheme is perfect, and governance is also about tackling difficulties. Vauban and Freiburg are now cited around the world as examples of sustainable living. The project shows that when governments and citizens get together to apply the principles of sustainability life is more pleasant. And the kids whizzing around on their unicycles would probably tell you it's more fun.

Intergenerational questions are an important component of the social dimension, which is why the *Swedish Strategy for Sustainable Development* adopted an intergenerational timeframe which includes a vision for the future which should remain valid for a generation or at least 25 years.

Sustainability in all levels of government

Leadership at the national level is one key part of governance for sustainable development. However, initiatives at regional and local levels are also critical to its success. After all, local governments have the closest proximity to what people and businesses actually do how they pollute, how they produce and consume, how they experience health care and education systems. People usually decide to take action on a given issue because of what they perceive in their immediate environment and local governments have a lot to do with how a place looks, feels and functions.

Local governments have to identify the critical relations among many factors likely to shape economic, social, political and environmental quality. But even the city level administration may be too remote from the day to day impacts of decisions. Effective governance also needs lower level local networks that include non-governmental actors, associations and businesses, for example to deal with social tensions or make the most of economic opportunities. As the UK Commission for Sustainable Development says: “National policy sets direction, but it’s practical action at the local level that makes sustainable development real.”

Identifying the correct level of government for addressing a question is itself an important and often complex task. Large cities or metropolitan regions, for example, regroup a number of localities with divergent views on issues important to the greater metro area, as well as different ways of dealing with the range of problems cities handle. Also, many sustainability issues are “regional” in nature think of air pollution or land use. Coherent governance for sustainable development for these large urban areas often requires a regional institution that can co-ordinate efforts and solve inconsistencies in local policies and initiatives.

Furthermore, strategies that are seen as simply one more government programme imposed from above have less chance of succeeding than those defined through consultation and debate.

The rise of biofuels – a cautionary tale

In the 1920s Henry Ford designed the Model T to run on an ethanol blend, and even constructed a corn fermentation plant in Kansas, but the discovery of oil in Texas and elsewhere made petrol the dominant transport fuel. Corn-to-ethanol saw a resurgence in the US following the oil shocks, and Brazil invested heavily in ethanol from sugar cane, making it a major fuel in that market. At the close of the 20th century, amid concern about climate change, ethanol's advocates argued that in theory, ethanol could provide carbon-neutral fuel; petrol with 15% ethanol would not require any changes to vehicle design or driver lifestyle. Although ethanol does release CO₂ during combustion, the feed plants also absorb CO₂ as they grow. Basically, next year's ethanol crop would clean up this year's carbon emissions. Other advantages include providing farm income and energy security for countries that can devote agricultural land to these crops. Similarly, vegetable oils derived from plants ranging from rapeseed to oil palm can be used in diesel engines.

Sound perfect? Western governments jumped on the bandwagon, with a 2003 EU directive mandating 5.75% biofuel content in transportation fuels by 2010. Worldwide, ethanol production doubled and biodiesel quadrupled in 2000-05.

But clouds are gathering. Environmentalists have been warning for years that dependence on biofuels will not only exacerbate the negative impact of conventional monocrop agriculture (habitat loss, freshwater use and run-off of fertilizers and pesticides), but may not even be carbon neutral at all. For certain ethanol crops, energy used for tractors, fertilizer production and fermentation processes may end up producing more

CO₂ than the crops absorb. The sharpest environmental debate has come as vast tracts of Indonesian peatland rainforest have been burned and replaced with oil palm – representing up to 10% of global carbon emissions over the past few years, and a doubling in the rate of habitat loss for unique species such as orang-utans.

In the social sphere, Mexico City's so-called "Tortilla Riots" in February 2007 were linked to price rises following increased demand for corn from the US ethanol industry. Spring 2008 saw commodity price increases and food shortages that drive home the absurdity of turning food crops into fuel. So are we nearing the end of the road for biofuels? The great hope remains that we will develop efficient technologies for generating ethanol or biodiesel from crop residues, "weed" plants or algae. This may involve genetically engineering new microbes to ferment cellulose into ethanol. In the meantime, the EU is reconsidering the 2003 directive as we learn more about biofuel's wide-ranging impacts.

Source:

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It would be unrealistic to imagine that everybody would be satisfied with every aspect of a national strategy, but the strategy is more likely to be implemented if everyone concerned has a chance to influence outcomes. This is why the Czech Government Council for Sustainable Development includes government, business, academics, NGOs and other stakeholders and serves as the umbrella group for developing, implementing and revising the national sustainable development strategy.

Many countries seem to be making progress towards governance for sustainable development. Yet the development of NSDS, no matter how complete, by no means guarantees that goals will be reached that depends in each case how strategies are translated into laws and regulations and how the different levels of government (national, regional and local) manage to execute them.

The governance of uncertainty

The media often emphasise the role of corporations and individuals in sustainable development – after all we're the ones building, purchasing, and so on – but governments play an equally significant role and can have far more influence than even the biggest multinational. Their ability to influence behaviours and co-ordinate efforts can make all the difference in producing substantial results. If not coherent, though, government actions can be a barrier to improvement.

When describing the role of government, it's easy to give the impression that governance for sustainable development is merely a matter of identifying objectives then putting in place a series of measures and bodies to oversee them. It's not. Just about every aspect of the economy, society, and the physical resources on which they ultimately depend, influences sustainability. Outcomes depend on an infinite number of interactions working on different timescales of varying importance. No model, however robust, no foresight, however penetrating, can tell us everything we'd like to know. Governments attempting to implement sustainability have to deal with this uncertainty. Not only their goals, but the strategies and instruments used to achieve them must be sustainable, too. They must be rigorous enough to be effective, but flexible enough to adapt as circumstances and priorities evolve. In the face of uncertainty, governance itself has to be sustainable.

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Publications

Institutionalising Sustainable Development (2007):

"Institutionalisation" embeds the concept of sustainable development in government operations for the long-term and reduces the vulnerability of sustainable development aims to shorter-term political objectives. This volume contains recommendations for true institutionalisation.

Subsidy Reform and Sustainable Development: Political Economy Aspects (2007):

Eliminating unsustainable subsidies requires comprehensive approaches that are supported by top political leadership, transparent in their potential effects on all parties, consistent over the long term, and often accompanied by transition supports. This volume uses sectoral case studies to illustrate that achieving change in structural policies depends largely on good governance.

Subsidy Reform and Sustainable Development: Economic, Environmental and Social Aspects (2006):

This report reviews approaches for assessing subsidies and associated taxes, and looks at country experiences in reforming subsidies in the agriculture, fisheries, industry, and transport sectors.

Environmental Performance of Agriculture at a Glance (2008):

This report provides the latest and most comprehensive data and analysis on the

environmental performance of agriculture in OECD countries since 1990. It covers key environmental themes including soil, water, air and biodiversity and looks at recent policy developments in all 30 countries.

Power to the People? Building Open and Inclusive Policy Making

(forthcoming 2008):

This book charts emerging practice in ensuring policy-making processes are more open and inclusive and gathers an impressive array of diverse opinions from leading practitioners. It offers a set of guiding principles to support open and inclusive policy making and service delivery in practice.

Environmentally Harmful Subsidies: Challenges for Reform (2005):

Subsidies are pervasive throughout OECD countries and much of this support is potentially harmful environmentally. This report presents sectoral analyses on agriculture, fisheries, water, energy and transport, proposing a checklist approach to identifying and assessing environmentally harmful subsidies. It also identifies the key tensions and conflicts that are likely to influence subsidy policy making.

Also of interest

An OECD Framework for Effective and Efficient Environmental Policies (2008):
www.oecd.org/envmin2008

Good Practices in the National Sustainable Development Strategies of OECD Countries (2006):
www.oecd.org/sustainabledevelopment

Agriculture and the Environment: Lessons Learned from a Decade of OECD Work (2004):
www.oecd.org/tad/env



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