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Horizontal Policy Integration:
Concepts, administrative barriers and selected practices

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1 What needs to be integrated into what?

In chapter 2, we saw that "Issues are becoming increasingly 'cross-cutting', and do not fit the ministerial boxes into which governments, and policy analysts, tend to place policies" (Peters 1998, 296). This applies in particular to environmental problems, a key concern of sustainable development in industrialised countries. In the 1970s and 1980s, environmental policies followed most often a sectoral end-of-pipe approach. Water pollution was addressed with wastewater treatment, industrial air pollution with filters in factory chimneys, forest dieback with catalytic converters in cars, and ozone depletion with new substances in refrigerators and aerosol cans. While these approaches were quite successful in solving the well-defined environmental problems of the time, it became increasingly apparent that they face limits in solving more complex problems that are caused by many pollutants around the world. For obvious reasons, global environmental problems such as climate change are not so much sectoral but rather cross-sectoral environmental problems to be addressed with several sectoral policies in integrated ways (including environmental, economic, transport, and energy policies). Consequently, several reform concepts were developed to better address this issue, the most prominent ones being "ecological modernisation" (Hajer 1995; Mol 1996; Mol & Sonnenfeld 2000, Mol & Spaargaren 2000), sustainable development (SD) (WCED 1987), and environmental policy integration (Lenschow 2002). In the EU context, the last two interrelated concepts are still of major importance when it comes to the principle of horizontal policy integration.

While chapter 2 introduced the governance aspects of horizontal policy integration, the remainder of this introduction explores the policy substance of the governance principle, i.e. what exactly needs to be integrated into what. It then shows that horizontal policy integration is difficult to achieve because none of the three predominant public administration narratives (i.e. bureaucracy, New Public Management, and New Governance) are geared towards this challenge. Subsequently, it is shown how governments try to overcome these difficulties by making use of strategic instruments and new institutional structures.

Although environmental concerns always played a key role in the SD concept, the concept was developed in parallel rather than conjointly with the idea of environmental policy integration (EPI), and the relationship between the two concepts changed over time. Consequently, this relationship still puzzles both academics and practitioners (see, for example, Jordan and Lenschow 2008; European Environmental Agency 2005b). When we understand EPI as a principle that asks for the integration of environmental policy objectives "in all stages of policy making in non-environmental policy sectors" (Lafferty, 2002, 13), the overlap with the predominant understanding of SD in the 1990s is considerable. At that time, scholars tended to interpret SD as a guiding model that primarily required the integration of environmental considerations in other policy fields. Social and economic issues were taken into account only if they were relevant to environmental concerns (see section 1). In addition, SD has always addressed governance challenges such as a long-term perspective (intergenerational equity) and the involvement of stakeholders in decision-making (participation). However, since the late 1990s, the understanding of SD has been redefined. The concept as it is currently employed is seen as balancing the economic, social and environmental "dimensions" or "pillars" of SD, ruling out the previous prioritisation of environmental issues. Thus, horizontal policy integration in the context of SD and SD strategies is commonly understood as balancing economic, social and environmental interests and policies so as to minimise trade-offs (or negative effects) between them and maximise synergies (or win-win-win opportunities) (Steurer 2008; see also section 1). Today, this understanding of SD is shared by a wide variety of actors, including international organisations such as the UN, the OECD (2001b) and the World Bank (2002), the European Commission (2004, 2005), and national governments (Steurer & Martinuzzi 2005). The quest for horizontal integration has even spread beyond the public domain. In the private sector, considering social and environmental issues in business routines is well known as Corporate Social Responsibility (CSR), Corporate Sustainability (Dyllick & Hockerts 2002), and "triple bottom-line" management (Elkington 1994).

Although the balancing of the three dimensions of SD aims to maximise synergies, it is evident that trade-offs cannot entirely be avoided and that the balancing acts cannot follow a one-size-fits-all approach. Obviously, SD policies often require difficult political choices. While the general meaning of SD is outlined in SD strategies, its actual political meaning is subject to constant political negotiations that are unfortunately often beyond the scope of administered SD strategies and other strategic instruments (Steurer 2008). How horizontal policy integration plays out in SD depends essentially on governmental and societal preferences that are influenced, inter alia, by economic and environmental conditions and the welfare state in a given country. Therefore, the actual political substance of horizontal policy integration and SD differs from country to country and changes over time. SD in Western Europe and other developed regions of the world can imply different priorities than SD in less developed regions. Furthermore, the interpretation of SD during an economic crisis may be more focused on the economy than during times of boom. The fact that SD is influenced by the spatial and temporal context in which the term is being considered requires that the concept of horizontal policy integration be redefined in accordance with a given situation. By doing so, the 'empty shell' of SD is filled with "contextualised substance".

What does this context-dependency of horizontal policy integration and SD mean for Central and Western Europe? As a general rule (which is, of course, subject to changes over time), one can argue that European welfare states have succeeded in integrating economic and social policies to varying but overall comparatively significant degrees. What is still often missing is the adequate integration of environmental concerns in other sectoral policies. Consequently, a key challenge of SD and SD strategies in a European context is to develop the existing welfare states further into eco-welfare or environmental welfare states. This emphasis of EPI in the context of SD was given legal status, first in Article 6 of the Amsterdam Treaty and later in Article 11 of the Lisbon Treaty, stating that "Environmental protection requirements must be integrated into the definition and implementation of the Union policies and activities, in particular with a view to promoting sustainable development" (European Council 2008).

2 Why is horizontal policy integration so difficult? Exploring the functioning of three administrative narratives[1]

As demonstrated in chapter 2, horizontal policy integration as well as respective institutional and procedural reforms are emphasized in several key policy documents on sustainable development, including the Brundtland Report from 1987, Agenda 21 from 1992, and the renewed EU SD strategy from 2006. All these policy documents frame the concept of SD as a normative reform agenda, not only for the improved integration of economic, social and environmental policies, but in particular for public governance and administration routines per se (OECD, 2001b; OECD, 2002; World Bank, 2002; European Commission, 2004; European Commission, 2005; Sneddon et al, 2006; Steurer & Martinuzzi 2007; Steurer 2008). Against this background, this section explores the functioning of three major administrative narratives that largely define how the public sector works[2] (for an overview, see Jann 2002; Salamon 2002b; Jann 2003), namely:

- Bureaucracy (the hierarchy-based model of public administration described by the sociologist Max Weber as early as the 1920s),
- New Public Management (the market-oriented model that emerged in the 1980s) and
- New Governance (the network-centred response to the market-hype in public administration).

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1 This section is largely based on Steurer (2007).

2 Like in other fields, public administration practices are continuously shaped by ideas, often condensed to a dominating narrative. Such narratives provide a coherent picture of fundamental problems, objectives, solutions and actors in a particular policy field. As "cognitive reference points", narratives reduce complexity, define the scope of possible actions and provide normative justifications to defend or to prevent change (Jann, 2003, p. 97).

By showing that none of these narratives is adequately geared towards horizontal policy integration, this part of the chapter provides one of several explanations, showing why this particular governance challenge is so hard to meet under the administrative circumstances given (for other explanations, see Jordan & Lenschow 2008). Since public administration practices differ strongly from country to country (Araújo, 2001; Christensen et al, 2002), this chapter briefly characterises the three narratives in very general terms. It does not describe their particularities for different countries and times; instead, it raises awareness of their overall shortcomings with regard to the governance challenge of horizontal policy integration.

2.1 Bureaucracy

A bureaucracy is best described as an unambiguous structure of departments, each headed by a minister who is responsible for all actions of the departmental sub-units. Bureaus are designated to fulfil very specific and clearly defined tasks in a rule-bound way (Hughes, 2003, p. 17-24). "The idea was to create a system that was at the highest possible level of technical efficiency" (Hughes, 2003, p. 24). Obviously, the bureaucratic narrative was strongly influenced by the efforts of rationalisation and labour division in factories, based on the works of the US engineer Frederick Taylor (from whom the term "Taylorism" stemmed). Weber himself explicitly refers to this private sector influence as follows: "The decisive reason for the advance of bureaucratic organisation has always been its purely technical superiority over any other form of organisation. The fully developed bureaucratic mechanism compares with other organisations exactly as does the machine with non-mechanical modes of production. Precision, speed, unambiguity, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and personal costs – these are raised to the optimum point in the strictly bureaucratic organisation" (Weber, quoted in Hughes, 2003, p. 24).

Overall, bureaucracies imply sectoral specialisation (or "departmentalisation") rather than policy integration. Although the introduction of professionalism and specialisation in the public sector was a major achievement compared to the former patronage system (therefore the connotation of the term bureaucracy was very positive for decades), it ultimately turned the public sector into a compilation of "administrative silos" which are constructed around policy domains, ignoring related policies or problems (for a summary, see table 2). The sectoral administrative silos are still a factor that has to be taken into account when dealing with SD strategies and the challenge of policy integration (see, for example, Peters 1998, 2000).

2.2 New Public Management

Although bureaucracies were originally regarded as efficient, the Weberian narrative was seriously criticised as inefficient from a managerial point of view that became known as New Public Management (NPM) in the 1980s. Since then, NPM became the synonym for a reform movement that brought "Managerialism" into "Bureaucratism" (Gray & Jenkins, 1995; Bevir et al, 2003b, p. 1). While bureaucracies are mainly concerned with state accountability and the maintenance of public order through a hierarchical mode of governance, the key concern of NPM is to "focus on management, not policy, and on performance appraisal and efficiency" (Bevir et al, 2003b, p. 1; see also Jann, 2002, 2003). Since NPM assumes that "Competition squeezes slack out of slacky organizations" (1998, p. 283), it favours the governance mode of markets (and the according leitmotiv of "getting prices right") to the one of hierarchies (Jackson, 2001; Hood, 1991; Jann 2002, p. 296). Typical policy instruments of NPM are the "marketisation" (or outsourcing) of services provided by the public sector, the market-testing of public agencies (so as to allow them to compete with private enterprises), the privatisation of state-owned firms, and the further disaggregation of departmental structures into service agencies, each responsible for a clearly specified product (Bevir et al, 2003b, p. 13; Hood, 1995, p. 95, 97).

Overall, NPM does not moderate but rather enhance the "silo-character" of public administrations by further disaggregating them into specific agencies ("agencification"). Due to its focus on intra-organisational management, NPM may help to increase the efficiency of the public sector. However, it also tends to disregard (and sometimes hinder) inter-organisational collaboration across sectors, which can often be regarded as a prerequisite for effective policy integration (Hood, 1991; Dunleavy & Hood, 1994; Hood, 1995; Gray & Jenkins, 1995; Mathiasen, 1999; Lane, 2001; Jackson, 2001; Jann, 2002 & 2003; Hughes, 2003; for a summary, see table 2).

2.3 New Governance

This continued trend of disaggregation is frequently stated as one of the driving forces behind another administrative reform wave, away from the hierarchical and market modes of governance towards networks, often referred to as New Governance (Rhodes, 1996; Peters, 2000; Salamon, 2002b).[3] As Rhodes (2000, p. 54) asserts, "Governance is part of the fight back. It is a description of the unintended consequences of corporate management and marketization. […] The networks so central to the analysis of governance are a response to this pluralization of policy making." According to Jervis and Richards (1997, p. 13), networks are "patterns of long-term relationships between mutually interdependent actors, formed around policy issues or clusters of resources" (see also Börzel, 1998, p. 254). The guiding principle of New Governance is not efficiency but effectiveness (Jackson 2001, p. 20; Salamon 2002a, p. 23; Jervis & Richards, 1997, p. 9). In 1997, even the World Bank (1997, chapter 2), one of the key advocates of NPM reforms around the world, suggested "Refocusing on the Effectiveness of the State". Reference to governance literature shows that this "refocusing" implies a shift from the leitmotiv of getting prices right to getting institutions right (Jann, 2003), for example by establishing networks.

Regarding the challenge of policy integration, the network mode of governance is often assumed to deal effectively with complex and cross-sectoral issues (such as SD) for the following reasons:

- Since networks involve a broad variety of societal actors they help not only to identify widely accepted solutions but also to sharing information and better understanding complex problems (Jackson 2001, p. 17).
- The fact that networks provide strong inter-organisational capacities implies that they serve cross-sectoral issues better than narratives with a strong intra-organisational focus, such as NPM (Williams, 2002a, p. 105).
- While competition is good for efficiency, collaboration is assumed to facilitate effectiveness because networks provide or generate valuable resources such as local knowledge and experience, ownership and commitment (Jackson, 2001, p. 18; World Bank, 2002).

Consequently, networks are often seen as the most appropriate "paradigm for the architecture of complexity" (Börzel, 1998, p. 253, who quotes Kenis & Schneider, 1991); or as Rhodes (1997, p. xv) puts it, "Messy problems demand messy [that is, network-like] solutions".

[3] While the "Anglo-Governance School" (Marinetto, 2003) uses "the term governance to refer to a pattern of rule characterized by networks that connect civil society and the state" (Bevir et al, 2003a, p. 192), an increasing number of scholars refers to the same phenomenon as "New Governance" (see, e.g., Meadowcroft, 1997; Paquet, 2001; Salamon, 2002a, b; Davies, 2002). Here "New Governance" is preferred because it leaves room for the broader notion of governance, comprising not only networks, but also hierarchies and markets as alternative governance modes.

Table 1: Key characteristics of bureaucracy, New Public Management and New Governance as three public administration narratives[4]

	Bureaucracy	New Public Management	New Governance
Peak of popularity	1920s - 1970s	1980s - 1990s	Mid 1990s - today
Overall approach	"Bureaucratism"	"Managerialism"	Governance
State narrative	Regulatory state	Lean (neo-liberal) state	Relational/enabling state
Key challenge(s)	Maintain public order, legality and accountability	Overcome inefficiencies with economic incentives	Solve complex problems by reducing segregation of policies and actors
Governance leitmotiv	"Law and order"	"Getting prices right"	"Getting institutions right" and "finding common solutions"
Guiding principle	Accountability	Efficiency	(Sectoral) Effectiveness
Governance mode	Hierarchy	Market	Network
Governance mechanism	Command & control (authority)	Competition	Co-operation
Preferred policy instrument	Mandatory legal instruments (i.e. "hard law", directives, regulations, etc.)	Financial instruments (i.e. taxes, tax breaks, subsidies, etc.) and contracts	Partnering instruments (i.e. partnerships, agreements, etc.)
Enforcement through	Control and sanctions	Monitoring, naming & shaming, self interest	Ownership, involvement and joint decisions
Organisational scope	Intra-departmental focus ("Departmentalisation")	Focus on service delivery Agencies ("Agencification")	Inter-organisational focus within sectors/policy coalitions
Pattern of strategy making	Policy planning	Ad-hoc problem solving, combined with elements of strategic management	Strategic Management, emphasising (policy) learning and adaptation
Skills required	Compliance and control skills	Management skills such as organising, financing, controlling, marketing etc.	"Enablement skills" such as activating, orchestrating and modulating actors and processes

Since New Governance narratives favour an inter-organisational over an intra-organisational focus (Jervis & Richards, 1997; Jann, 2002, p. 288; Williams, 2002a, p. 105), they do take "public administration out of the narrow tunnel of formally designed structures and mandated organizations" (Toonen, 1998, p. 250). Yet, does the rise of New Governance imply a transition from sectoral silos and task-oriented agencies towards a web of inter-organisational and cross-sectoral networks? Not necessarily. While most networks are inter-organisational in character, network theories (Peters, 2000) as well as practical experiences[5] suggest that the scope of most networks is still limited to specific issues within a policy field or within a sector. Even more so, the co-operative and yet advocacy nature of networks might even "institutionalize and legitimate the conflicts among policy domains, and reinforce those natural divisions" (Peters, 2000, p. 45).

Overall, the upside of the administrative story line summarised above is that both, public administration theory and practice have adapted to new challenges, such as inefficiency and ineffectiveness. Consequently, public administrations have become more diverse in terms of leitmotivs, principles and

[4] This table is based on the public administration literature quoted in the text, in particular on Jann, 2002, 2003; Hughes, 2003 and Meuleman, 2003, 2006.

[5] The history of the European Sustainable Development Network (ESDN, see www.sd-network.eu), e.g., emphasises that it is relatively easy to establish a network of likeminded people working in the same field or sector, but that it is very difficult to open the network and integrate experts that work on other sectors or strategies, such as the Lisbon strategy.

modes of governance in recent decades. Starting out from a relatively uniform model of bureaucracy, many administrations have also embodied NPM since the 1980s and New Governance (such as informal networks and inter-ministerial groups) since the 1990s. Although each narrative has certain strengths, and New Governance is assumed to handle complex issues better than bureaucracies or NPM, the downside is that none of the administrative narratives discussed so far are geared towards policy integration in general, and the integrative challenges of SD in particular. Consequently, public administrations attempt to cope with this shortcoming by employing different policy tools, mechanisms and structures.

3 How do governments facilitate horizontal policy integration? Instruments and structures

So far, the chapter has shown that horizontal policy integration is a key governance challenge in the context of SD, but that the functioning of the machinery of government is not geared towards this challenge. Consequently, governments often fall short of delivering horizontally integrated policies, in particular in policy areas dominated by administrative routines. Instead of addressing this shortcoming through a holistic reform of the public sector (see section 4 below), governments deploy integrative strategic instruments and institutional structures point by point. Selected instruments and structures are described below based on internet documentation and an email survey that was conducted in May and June 2009.[6] Although the governance arrangements characterised below play a key role in delivering integrated policies, one should not overlook the fact that horizontal policy integration ultimately depends on how traditional policy instruments (such as laws and economic incentives) are designed and implemented. In other words, the governance arrangements described here are not ends in themselves but are supposed to shape actual policies towards a better horizontal (and vertical) integration.

3.1 Strategic instruments

In order to address horizontal policy integration, governments in Europe apply several strategic instruments that have a coordinating, communicative and/or an assessing function. SD strategies are perhaps the most comprehensive strategic instrument, supposed to pursue all three functions. According to both UN and OECD governance guidelines, SD strategies ought to better integrate existing sectoral policies, strategies and plans both horizontally and vertically with a long-term perspective. Moreover, they ought to modify institutional structures, governance procedures and capacities in line with their key purpose as stated above (Steurer & Martinuzzi 2005). Driven mainly by UN and EU commitments, SD strategies have become the most common strategic instrument, applied at all levels of policy making across Europe (for details, see www.sd-network.eu). To what extent are SD strategies capable of fulfilling their key role in SD governance? On the one hand, their procedural and cyclical character are an improvement over former one-off environmental policy plans (Steurer & Martinuzzi 2005). On the other hand, empirical assessments of existing SD strategies show that most SD strategies have failed to become a hub in SD governance. Instead, they have usually become fragmented and "administered strategies", unfolding only a fraction of their (strategic) potential, and most often even failing to effectively orchestrate different features of the strategy process, such as objectives, implementation measures and monitoring indicators (Steurer & Martinuzzi 2007; Steurer 2008).

A few governments try to translate their rather general SD strategies into more concrete sectoral action plans. In the UK, e.g., each ministry is required to specify its contribution to the UK's SD strategy in a

[6] For taking part in the survey, we thank Annette Volkens (German Ministry of the Environment), Dieter Vander Beke (Belgium Federal Public Planning Service for Sustainable Development), Daniel Wachter (Swiss Federal Office for Spatial Development), Alexia Flowerday, Claire Holgate and Suzie Pinkett (all three DEFRA, UK), Annika Lindblom (Finnish Ministry of the Environment) and Jaroslava Hlavackova (Czech Ministry of the Environment).

sectoral SD Action Plan (SDAP). The SDAPs are intended to cover all aspects of the ministry's business, outlining the actions that build an SD approach which covers policies produced, people they work with, goods and services that they procure and the operations that they manage. Since 2005, all government departments have prepared at least one SDAP and many are working on their second.[7] The UK Sustainable Development Commission (SDC) reviews and assesses all SDAPs, and provides advice to ministries on how to improve them.[8] When taking stock of the first round of SDAP progress reports in January 2008, the SDC noted that there were several aspects which came in aid of the implementation of the SDAPs as well as several hindrances. The aiding factors were strong leadership and the integration of SD into the core functions of the respective departments; the hindrances were a lack of both resources and an SD culture in the respective departments (implying that SD is buried under other priorities and not seen as directly relevant to the departments' specific policy areas).[9]

Apart from policy strategies, governments also pursue horizontal policy integration by conducting Strategic Environmental Assessments (SEAs) or Sustainability Impact Assessments (SIAs) (Ecologic et al, 2007; Pope et al, 2004; Arbter, 2003). Both instruments aim to shape policies in a strategic way, ex-ante. In the EU, the European Commission's impact assessment system was launched in 2002 (European Commission, 2002). Since its update in 2005 (European Commission, 2005), a formal impact assessment is required for items in the Commission's Work Programme. This means that all regulatory proposals, White Papers, expenditure programmes and negotiating guidelines for international agreements must pass an impact assessment. The guiding principle of impact assessments is to consider the economic, social and environmental dimensions of policy put forward by the Commission. The renewed EU strategy for sustainable development suggests that not only all EU institutions but also all EU Member States "should ensure that major policy decisions are based on proposals that have undergone high quality impact assessment" (European Council, 2006, para 11). Due to different evaluation cultures, the popularity of SIAs differs considerably from country to country.

"Green budgeting", i.e. the integration of environmental concerns into the budgeting process, is a promising but rarely used strategic instrument of horizontal policy integration. References to green budgeting can be found in the Brundtland Report[10] and in Agenda 21 (UN, 1992). A few EU Member States have also integrated green budgeting in their practices and thereby gaining their own experience in the area. In the UK, for example, departments were required to assess the SD implications of their expenditure and Public Service Agreements imposed certain (environmental) conditions on their spending for a number of years. However, instead of integrating environmental considerations into spending habits, most departments regarded the new requirements as another bureaucratic step to be taken (Russel 2007, 2008). Administrative green budgeting procedures can be found in Norway, the Netherlands and Sweden. The German government, however, never implemented formalised green budgeting procedures at the federal level. Nevertheless, Germany became one of the frontrunners in shifting the tax burden on to non-renewable resource use while providing subsidies for renewable energy sources (Wilkinson et al. 2008). Ecological tax reforms are, of course, political decisions on the use of economic policy instruments that do not then require formalised (often rather toothless) administrative procedures in the budgeting process.

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7 For all SDAPs, see http://www.defra.gov.uk/sustainable/government/gov/department/index.htm.

8 See http://www.sd-commission.org.uk/pages/sustainable-development-in-government-sdig.html.

9 See http://www.sd-commission.org.uk/publications/downloads/SDAP_Key_findings_document.pdf

10 "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 budget support development that is ecologically as well as economically sustainable" (WCED, 1987, 314).

3.2 Institutional structures

Apart from using strategic instruments, governments also aim to facilitate horizontal policy integration by using integrative institutional structures such as (i) inter-ministerial bodies at the political and/or the (ii) administrative level, and (iii) hybrid structures that involve politicians, administrators, businesses and/or civil society organisations.

Ad i) Inter-ministerial bodies at the political level

This type of integrative institutional structure dedicated to SD can be found in Germany and Belgium. Since 2005, the German State Secretaries' Committee for Sustainable Development (StA)[11] convenes state secretaries (i.e. the highest-level civil servants, comparable to vice ministers in other countries) from all government ministries. The StA is chaired by the Head of the Federal Chancellery who also coordinates the German SD strategy (the Head of the Federal Chancellery has the status of a Minister and is a member of the Cabinet of Ministers). The StA is mainly responsible for conceptualising the SD strategy progress reports, and for further developing the German SD strategy. Along with the SD strategy progress report 2008, the StA has, for the first time, also decided on a working programme with specific topics for discussion. Since December 2008, the StA holds monthly meetings. In these meetings, the StA does not discuss day-to-day policy issues; rather choosing to concentrate on various general, strategic aspects of SD. Horizontal policy integration plays a role in the work programmes drafted by the StA.

In Belgium, the Interdepartmental Commission on Sustainable Development (ICSD)[12] is composed of politicians or high-level public administrators from all federal government ministries, a representative from the Federal Planning Bureau, and a representative from regional and community governments. The ICSD is responsible for preparing and implementing the four-year Federal Plan for SD, the Belgium SDS that is adopted formally by the Council of Ministers. Beside this, the ICSD also reports on its activities and supports the Federal Planning Bureau regarding its SD reporting duties. The ICSD holds a plenary session every two months, and working groups are convened on an ad-hoc basis. Horizontal policy integration is fostered by the ICSD as it involves all ministries in the SD policy making process.

Ad ii) Inter-ministerial bodies at the administrative level

While integrative institutional structures are rare at the political level, they are more common at the administrative levels of policy making. In the UK, for instance, the Sustainable Development Programme Board (SDPB)[13] is made up of senior civil servants from the departments most closely involved in the implementation of the SD strategy and it is chaired by the Department for Environment, Food and Rural Affairs (Defra). The SDPB coordinates the implementation of the national SD strategy, inter alia, by identifying priority areas, preventing duplication between departments, supporting networking activities between leaders in SD within and between departments, and by improving coherence between the national SD strategy and the delivery of departmental public service agreements (PSAs) and departmental strategic objectives (DSOs).

In Switzerland, the implementation of the national SDS is coordinated by a similar body, the Interdepartmental Sustainable Development Committee (IDANE).[14] IDANE joins public administrators from

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[11] See http://www.bundesregierung.de/Webs/Breg/nachhaltigkeit/DE/Staatssekretaersausschuss/staatssekretaersausschuss.html.

[12] See http://www.icdo.be/.

[13] See http://www.defra.gov.uk/sustainable/government/gov/task-forces.htm.

[14] See http://www.are.admin.ch/themen/nachhaltig/00262/00529/index.html?lang=en.

close to 30 federal ministries and federal agencies. By doing so, IDANE strengthens cross-sectoral relationships within the federal administration, supports the joint development of strategies and action plans related to Agenda 21, and meets the reporting obligations in international SD processes. Although IDANE plays an important role in shaping the Swiss SD strategy and related processes, it has no decision-making power and is first and foremost a platform for discussion. Consequently, politically relevant agreements are often reached not in IDANE but in smaller circles, sometimes affiliated with the platform. Since politicians tend to establish new ad-hoc committees for emerging problems rather than using existing structures like the IDANE, the latter must constantly legitimise itself and compete with other topics and actors on its place in the SD policy making process.

Ad iii) Hybrid structures involving politicians, administrators, businesses and/or civil society organisations

One of the oldest hybrid structures also facilitating horizontal policy integration is the Finnish National Commission on Sustainable Development (FNCSD). First appointed in 1993, the Finnish Government unanimously decided to extend the FNCSD's term of office in 2008 until the end of 2012. Among other activities, the FNCSD aims to promote, evaluate and monitor the implementation of the Finish SDS, foster public discourse on key issues of SD, and involve different societal actors in SD policy making. Accordingly, the members of the FNCSD are state and non-state actors. Chaired by the Minister of Labour, the FNCSD joins five other government ministers, representatives from three parliamentary committees, public administrators from various ministries, municipalities and regions, businesses, trade unions, the educational sector, civil society organisations, and from churches. The more than 40 members which make up the FNCSD convene approximately four times a year to discuss selected themes. In addition, the FNCSD also hosts smaller seminars, workshops and joint meetings with other councils. All FNCSD activities, in particular the regular meetings, are coordinated by a General Secretariat located in the Ministry of the Environment. The Secretariat General is supported by a Network Secretariat that convenes SD experts from various ministries once a month under the chairmanship of the Secretary General. The integrative character of the FNCSD is designed to facilitate the integration of SD issues into sectoral policies (e.g. by involving different ministries in debates on SD and by spreading ownership for SD concerns), and it is expected to mediate between conflicting SD positions held by different societal actors. Although the General Secretariat of the FNCSD regards itself as a quite successful coordinator and mediator in the SD policy field, it acknowledges that its affiliation with the Environment Ministry may sometimes hinder horizontal policy integration. A stronger involvement of the Prime Minister's Office (the Prime Minister chaired the FNCSD until 2007), e.g. by re-locating the Secretariat General under its auspices, could strengthen the FNCSD as a facilitator of horizontal policy integration.

A similarly hybrid structure is the Czech Government Council for Sustainable Development (CGCSD).[15] Formally, the Council was led by the Prime Minister (Statutory Chairman), by the Deputy Prime Minister and by the Minister of Environment (Executive Vice-Chairmen). De facto, Ministers often send their Deputy Ministers to represent them in Council sessions. Currently, the CGSCD has 27 members appointed by the Executive Vice-Chairmen, of which about half are government officials. Similarly to the FNCSD, the Czech SD Council also aims to facilitate both a better horizontal integration of policies and the involvement of stakeholders in the SD strategy process. Regarding horizontal (and vertical) policy integration, the main tasks of the Council are (i) drafting and revising the SD strategy, (ii) coordinating its implementation by supporting departmental initiatives and strategies, (iii) monitoring and evaluating its implementation and issuing progress reports on an annual basis, and (iv) coordinating Czech SD policies with EU, UN and OECD initiatives. These tasks are carried out in plenary sessions (usually held four times a year), standing committees (e.g. on strategy or communication) and several ad-hoc working groups that convene only the CGSCD government members (e.g. on SD indicators, sustainable consumption and production, education on SD, etc.). The latter discuss selected topics more in-depth and provide input to the plenary sessions.

[15] See ttp://www.mzp.cz/AIS/web-en.nsf/pages/sustainable_development_on_national_level

Despite the high-level political actors represented in the CGSCD the Council nevertheless struggles to become a highly respected political actor in SD policy making.

4 Fragmented governance innovations versus Strategic Public Management

This chapter has highlighted that horizontal policy integration is an outstanding governance challenge in the context of SD. It has also shown that addressing this challenge adequately is difficult due to the fact that the functioning of the public sector is geared towards other challenges (such as legitimacy or efficiency, not horizontal coordination). Thus, most European governments try to foster horizontal policy integration by deploying relatively new integrative strategic instruments (such as SD strategies) and/or institutional structures (such as inter-ministerial commissions or broader SD councils). Although some governments have several of these instruments and institutions in place, there is not a single country in which they constitute a comprehensive, well-coordinated and well functioning SD governance system, held together by a politically salient SD strategy.

Metaphorically speaking, one could say that neither the hardware (i.e. the polity structure of governments) nor the respective "operating system of public administrations" (i.e. the interplay of Bureaucracy, New Public Management and New Governance as policy making narratives) is fully compatible with the "policy integration software" programmed into the SD concept and its respective strategic instruments (such as SD strategies). Moreover, integrative institutional structures are generally only small holes in the still existing (and functioning) "firewalls" between the different ministries. If we consider that the SD policy field is also characterised by regular "power blackouts" (metaphorically and literally speaking) it is not surprising that most SD governance structures in Europe are dysfunctional. Addressing these challenges adequately may require going beyond an "update" of existing strategic instruments or a "re-launch" of inter-ministerial institutions. It may require a more holistic approach that aims to change the functioning of the public sector altogether towards a more "Strategic Public Management" (Steurer 2007).

What exactly does "Strategic Public Management" mean in the context of SD? Based on Steurer (2007) we can highlight three key points. First, Strategic Public Management means that public sector strategies should not only outline a vision and respective policy objectives but that they should also "strategise" on how to achieve this vision and these objectives in tune, of course, with the given political and administrative circumstances. As Tils (2005) shows, there is considerable scope to make SD strategies "more strategic", e.g. by explicitly dealing with the context of limiting polity structures, actors' constellations, and by paying adequate attention to the capacity of relevant actors to think and act strategically. Unfortunately, this key aspect of Strategic Public Management has rarely been recognized and discussed so far. Second, governments should go further in adapting their "polity-hardware" to the institutional requirements of horizontal policy integration. The integrative institutional structures portrayed above point in this direction, however most of them are limited efforts that are not able to redefine the functioning of public administrations. Furthermore, polity innovations like inter-ministerial bodies have to be accompanied by respective changes in politics (such as a shift of political power and resources to the newly created institutions), as well as a supportive public administration narrative. This leads us to the third aspect of Strategic Public Management. Horizontal policy integration often requires a combination of hierarchical steering and network-like collaboration. Thus, Strategic Public Management is also about establishing and steering networks that span across economic, social and environmental sectors. It is a systematic attempt to match objectives not only with adequate policy instruments, but also with adequate public administration narratives and governance modes. Consequently, Strategic Public Management is also concerned with the fundamental challenge that "no governing structure works for all services in all conditions" (Rhodes, 2000, p. 81; see also Meuleman, 2003, 2006).

Addressing horizontal policy integration holistically with a comprehensive governance reform rather than point by point with a few governance innovations as described here is certainly not an easy task. As highlighted in chapter 2, many arguments speak against every aspect of policy integration, in particular against horizontal policy integration. However, as the almost global "New Public Management" reform movement (geared mainly towards efficiency) has shown, the "great rock on the tide-line" that seems to withstand all kinds of policy changes and reform waves (Peters & Savoie 1998, 3), such as the functioning of public administrations, can occasionally undergo change. Thus, taking this change further towards a more "Strategic Public Management" is a difficult task but not an impossible one. However, even if the machineries of government (in particular institutional structures and public administration narratives) are geared towards more integrated policies, political outcomes will nevertheless depend mainly upon political interests, will and power on the one hand, and the boundary-spanning skills of public administrators on the other (Williams 2002). Of course, both conditions neither arise automatically, nor can they be created easily. As one can learn, again, from the New Public Management movement, a holistic reform agenda seems to depend on a widespread sense of political legitimacy and urgency, tied together with a widely shared reform vision that reflects current political priorities. In recent years, the discourse on climate change seems to match this profile better than the more abstract concept known as sustainable development.

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