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The EU's double-track pursuit of sustainable development in the 2000s: How Lisbon and sustainable development strategies ran past each other

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Abstract

For almost a decade, the EU has pursued sustainable development (SD) not with one but two overarching strategies: with the so-called Lisbon Strategy and with SD strategies. While the Lisbon Strategy was a genuinely European policy response to global economic and social pressures that was superseded by the 'Europe 2020' strategy in 2010, SD strategies are ongoing cyclical processes that aim to better coordinate and integrate economic, social and, in particular, environmental policies at both the EU and Member State levels. The present paper explores the horizontal governance linkages that existed between the two strategies. It first contrasts the Council rhetoric emphasising the complementarity of the two strategies with their different histories and governance arrangements. The paper then shows that the Council rhetoric of complementarity never materialised in the everyday governance routines of the two strategies, and it provides three explanations for this finding. Based on these findings, the paper finally provides a brief outlook discussion on how to proceed with the governance of sustainable development in Europe.

Keywords

Sustainable development, sustainable development strategy, Lisbon Strategy, horizontal policy integration, Environmental Policy Integration (EPI)

1. Putting two complementary EU strategies on sustainable development into perspective

Most Western Member States of the EU have established welfare states that are concerned with the continuous struggle to integrate economic and social policies, and more recently, to better integrate environmental policies into the historically grown socio-economic models (Meadowcroft 2005, 2006). This is the background against which sustainable development (SD), the widely accepted societal guiding model that aims to avoid trade-offs and maximise synergies between economic, social and environmental issues, found considerable resonance in Europe (Steurer & Martinuzzi 2005; Steurer 2008; Jordan & Lenschow 2008). Based on a formal acknowledgement of SD in the Treaty of Amsterdam (European Council 1997), the EU and its Member States addressed the societal guiding model not with one but with two overarching cross-sectoral strategies for almost a decade, and it seems that this 'double-track pursuit of SD' will be continued in the near future. In 2000, the European Council launched the Lisbon Strategy with a clear focus on economic and social policies, and it was superseded by the Europe 2020 strategy in 2010 (European Commission 2010). About a year later the Gothenburg European Council agreed on a 14-paragraph 'strategy for sustainable development' in its Council Conclusions, and it emphasised that 'it completes the Union's political commitment to economic and social renewal, adds a third, environmental dimension to the Lisbon strategy and establishes a new approach to policy making' (European Council 2001, 4). However, since the 14 paragraphs on SD were too brief to be regarded as full-value EU strategy for SD (Steurer & Martinuzzi 2005), the adding of an environmental dimension to the Lisbon Strategy was imbalanced and ineffective from the outset. Since the political discourse on SD did not fade in the following years, and most EU Member States followed the Gothenburg Council invitation, 'to draw up their own national sustainable development strategies' (European Council 2001, 4; see also Steurer & Martinuzzi 2005), the EU revisited its strategic approach to SD a few years later. Under the Austrian EU presidency, the European Council adopted a comprehensive SD strategy (EU SDS) in June 2006 (European Council 2006b; see also Kopp 2006). Its link to the Lisbon Strategy was refined as follows:

The EU SDS forms the overall framework within which the Lisbon strategy, with its renewed focus on growth and jobs, provides the motor of a more dynamic economy. These two strategies recognise that economic, social and environmental objectives can reinforce each other and they should therefore advance together. Both strategies aim at supporting the necessary structural changes which enable the Member States' economies to cope with the challenges of globalisation by creating a level playing field in which dynamism, innovation and creative entrepreneurship can flourish whilst ensuring social equity and a healthy environment (European Council 2006b, 6).

As the EU SDS describes in more detail, it obviously complemented the Lisbon Strategy, both aiming at SD although with different emphases:

The SDS is primarily concerned with quality of life, intra- and inter-generational equity and coherence between all policy areas, including external aspects. It recognises the role of economic development in facilitating the transition to a more sustainable society. The Lisbon strategy makes an essential contribution to the overarching objective of sustainable development focusing primarily on actions and measures aimed at increasing competitiveness and economic growth and enhancing job creation (European Council 2006b, 6).

Although the governance of SD is a complex challenge that goes well beyond the scope of SD strategies (Kenny & Meadowcroft 1999; Steurer 2009), the two cross-sectoral strategies introduced above are supposed to play a key role in this respect. Nevertheless, and despite their obvious complementary character, Lisbon and SD strategies were rarely analysed jointly (for exceptions, see Berger & Zwirner 2008; Steurer et al. 2010). This scholarly shortcoming is addressed here with the following two research questions:

- What were the key similarities and differences in the governance of the Lisbon and the SD strategies at both the EU and the Member State levels and how did the complementary character of the two strategies materialise in everyday governance routines?
- What lessons can be learned for the pursuit of sustainable development in the context of the 'Europe 2020' strategy?

The questions are answered based on policy documents and secondary literature, three qualitative country studies on the governance of Lisbon and SD strategies in Austria, Sweden, and the UK (Pirgmaier 2008), and extensive discussions with public administrators responsible for SD strategies from across Europe.¹

The following section 2 shows how the co-existence of the two strategies came into being. It highlights the international background of SD strategies, and it characterises the Lisbon Strategy as a genuinely European response to global pressures. Section 3 briefly summarises the contents and the governance of the two strategy processes with respect to horizontal and vertical governance linkages. Section 4 shows that the Council rhetoric regarding the horizontal complementarity of the two strategies does not

¹ The linkages between Lisbon and SD strategies were discussed at the 3rd Workshop of the European Sustainable Development Network (ESDN) on 'The Future of the EU SDS and its Interface with the Lisbon Process' in Brussels, 19 November 2008 (see <http://www.sd-network.eu/?k=ESDN%20workshops&s=workshop%20documentation&year=2008a>) and the ESDN Conference 2009 on 'Options and Opportunities for the future EU Sustainable Development Strategy' in Prague, 17-19 June 2009 (see <http://www.sd-network.eu/?k=ESDN%20conferences&year=2009>). Both authors were/are closely affiliated with the ESDN: From 2006 to 2008, Reinhard Steurer was the coordinator of the ESDN support office. In July 2008, Gerald Berger succeeded him in this function.

materialise in every-day governance routines, and it offers some explanations. Based on these findings, section 5 finally provides an outlook discussion on how to proceed with the governance of sustainable development in Europe in the context of the 'Europe 2020' strategy.

2. Unveiling the roots of the double-track pursuit of SD in Europe

A key driver for introducing SD strategies in Europe was the global environmental governance regime agreed upon at the 1992 Rio Earth Summit. Among many other activities, the Agenda 21 asked governments around the world to develop and adopt 'a national strategy for sustainable development' (UNCED 1992, chapter 8), and to monitor these strategies with a set of indicators (UNCED 1992, chapter 40). By specifying the purpose of SD strategies, Agenda 21 refers to the classic Brundtlandian definition of SD. Country-driven SD strategies should, it claims, 'ensure socially responsible economic development while protecting the resource base and the environment for the benefit of future generations' (UNCED 1992, para. 8.7; for the Brundtland Report, see WCED 1987). As Agenda 21 contains no submission date, only a few countries developed an SD strategy in the 1990s. In June 1997, the Rio +5 summit agreed that the formulation of SD strategies ought to be completed in all countries by the year 2002 (UNGASS 1997, para. 24). In June 2001, the Gothenburg European Council reiterated this call (see above). Consequently, many EU Member States developed their SD strategy rather quickly in time for the Johannesburg World Summit for SD in late 2002 (European Commission 2004; Steurer & Martinuzzi 2005). Although the Gothenburg European Council proved to be another driver towards the development of SD strategies in EU Member States, an EU governance scheme was not introduced until the EU SDS was renewed in 2006 (for details see section 3). In order to ensure that SD strategies did not collect dust on shelves like most of the earlier environmental plans (IIED, UNDP & UKDFID 2002; Meadowcroft 2000), the UN and the OECD formulated sets of guidelines that define them as cyclical strategic processes that are supposed to combine formal planning and incremental learning. Overall, the guidelines put strong emphasis on the procedural and institutional aspects of policy-making (UNCED 1992, chapter 8A; UNDESA 2001; OECD-DAC 2001, 18ff; IIED 2002, 33-36; for a summary, see Steurer & Martinuzzi 2005). The coordination of SD strategies across countries (e.g. within the EU) is not foreseen in the guidelines.

While SD strategies have an international background, the Lisbon Strategy was a genuinely European response to global pressures, such as economic globalisation, the rise of neo-liberal ideas, and demographic changes (such as ageing societies and migration) (Pierson 1998; Tharakan 2003; Sapir et al. 2004; European Commission 2005d, e). In March 2000, the Lisbon European Council (2000) of the

then 15 EU Member States agreed upon the 10-year strategic goal to make Europe 'the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion' (European Council, 2000, para. 5). Obviously, the main focus of the Lisbon Strategy was on economic and social policy issues (see also section 3). Faced with global pressures on the one hand, and different socio-economic models across Europe on the other, the limitations of the traditional 'Community Method' were recognised in the late 1990s (Trubek & Mosher 2003; Trubek & Trubek 2005). To facilitate tailor-made, rather than uniform, socio-economic reforms across the EU, the Lisbon Strategy introduced the Open Method of Coordination (OMC) as a new governance approach (European Council 2005, 2006a; European Commission 2005c, e, 2006; see also Heidenreich 2008; Büchs 2008; Kaiser & Prange 2005; Borrás & Jacobsson 2004; Radulova 2006). The main objectives of the OMC in the Lisbon Strategy, as defined in the Lisbon Presidency Conclusions, were (i) fixing guidelines and timetables, (ii) establishing indicators as a means of benchmarking best practice, (iii) translating the European guidelines into national policies, and, (iv) periodic monitoring and peer review to support mutual learning (European Council, 2000, 12). Another key characteristic of Lisbon's OMC was that the actual implementation of the guidelines in national policies is left to the discretion of the Member States. In 2004, a mid-term review of the Lisbon Strategy was conducted by a high-level group that was led by the former Dutch Prime Minister Wim Kok. It observed a 'disappointing delivery [which] is due to an overloaded agenda, poor coordination and conflicting priorities', in which it concluded that 'the Lisbon strategy is even more urgent today' and therefore, 'better implementation is needed now to make up for lost time' (Kok 2004, 6). Consequently, the reform programme was overhauled and a renewed Lisbon Strategy with a strengthened OMC approach was adopted by the European Council in March 2005. In the five years since then, the Lisbon Strategy gained momentum but failed to meet its (over-ambitious) objectives (see also section 5).² The contents and the governance of the renewed Lisbon Strategy and the EU SDS are summarised and compared in more detail in the following section.

² The mixed record of the Lisbon Strategy is also acknowledged by the European Commission (2010), and by politicians such as the Swedish Prime Minister Fredrik Reinfeldt and his finance minister Anders Borg who have criticised it as 'a failure' (<http://www.euractiv.com/en/priorities/sweden-admits-lisbon-agenda-failure/article-182797>).

3. Contents and governance characteristics of Lisbon and SD strategies

The renewed Lisbon Strategy defined the direction of the reform process in a set of 24 so-called 'integrated guidelines for growth and jobs' (European Commission 2005c, e; European Commission 2008). As Annex 1 shows, approximately two-thirds of the guidelines set macroeconomic and microeconomic objectives (such as 'secure economic stability' or 'facilitate all forms of innovation'). Another approximately one-third focused on employment (such as 'expand and improve investment in human capital'), and one single guideline addressed 'the sustainable use of resources and strengthen the synergies between environmental protection and growth' (listed under microeconomic guidelines). Yet, how were the integrated guidelines pursued across the EU? With the comparative character of the present paper in mind, the key governance characteristics of the renewed Lisbon Strategy at both the EU and Member State levels were as follows: With regard to the EU-Member State interface, the renewed Lisbon Strategy required Member States to

- appoint a national coordinator of the Lisbon Strategy (often a minister or another high-level politician from the economic affairs sector),
- implement the integrated guidelines through 'National Reform Programmes' (NRPs);
- measure the progress made towards the 24 integrated guidelines with a short list of 14 and a long list of 127 Structural Indicators that were developed as a blueprint set of indicators for the entire EU; and
- report annually to the Commission about the progress made.

According to the European Commission (2006, 9), NRPs were 'the main tools to implement the new Lisbon strategy, to translate the integrated policy guidelines into reform owned by the Member States and which Member States are responsible for delivering'.

After the renewal of the Lisbon Strategy in 2005, all the governance activities summarised above were enacted: All the Member States have developed a first NRP for the period 2005-2008.³ Based on the national implementation reports from the Member States,⁴ the Secretariat-General of the European Commission assessed all the NRPs, gave country-specific recommendations, and reported to the European Spring Council.⁵ A key conclusion of the first Commission progress report from 2006 was that NRPs varied considerably across Member States, for instance, regarding the formulation of objectives and measures foreseen to reach them. While some Member States have attempted to integrate EU and national priorities in a set of quantified and timed objectives and measures, many NRPs were criticised

³ See http://ec.europa.eu/archives/growthandjobs/national-dimension/index_en.htm#a

⁴ See http://ec.europa.eu/growthandjobs/national-dimension/index_en.htm

⁵ See http://ec.europa.eu/archives/growthandjobs/european-dimension/index_en.htm#b

for leaving objectives as well as implementation measures in many areas open (European Commission 2006, 13-14). In 2006, the European Council argued in its Presidency Conclusions that now, as all NRPs are in place, it would be essential to ensure their 'effective, timely and comprehensive implementation, and if necessary, strengthening of measures agreed in the NRPs' (European Council 2006a, para. 15). In March 2008, the Spring European Council confirmed that the Integrated Guidelines remain valid for the period 2008-2010. Moreover, it reiterated that 'Member States should set out detailed and concrete actions addressing their specific policy response to the Integrated Guidelines, country-specific recommendations and 'points to watch' in their renewed National Reform Programmes and the subsequent annual implementation reports' (European Council 2008b, para. 4). Consequently, all EU Member States updated their NRPs for the period 2008-2010 at the same time, and the governance cycle as described above continued.⁶

The renewed EU SDS, on the other hand, identifies seven key challenges, each one differentiated in detailed 'operational objectives and targets' as well as 'actions' that are necessary to achieve them until the end of the strategy period in 2012. The EU SDS is supposed to provide guidance for SD policy-making not only at the EU level, but also for the 27 Member States. The key challenges are restricted to four environmental and three social issues, leaving the third economic dimension of SD to the Lisbon Strategy (European Council 2006b; for details see Annex 2). Concurring to the relaunch of the Lisbon Strategy, the renewed EU SDS also aimed to strengthen the EU-Member State interface of SD policy making. While most EU Member States have developed SD strategies based on international rather than European guidance before the EU SDS was renewed in 2006 (Steurer & Martinuzzi 2005), they were now asked to update their national SD strategies 'in the light of the revised EU SDS, to ensure consistency, coherence and mutual supportiveness, bearing in mind specific circumstances in the Members States' (European Council 2006b, 28). In 2010, most EU Member States had an SD strategy in place.⁷ While the Lisbon Strategy fully embodies OMC, the EU SDS has developed cautiously into a 'light form of OMC' (Berger & Steurer 2007; Berger & Zwirner 2008), at least temporarily around its adoption in 2006. In order to foster the exchange between the Secretariat-General of the European Commission who is coordinating the EU SDS and the Member States, national 'SDS coordinators' were nominated and the 'SDS coordinators group' was established in late 2006. Public administrators from Environment Departments dominate the group, and so far, Secretariat-General convened it twice in 2007, and never since. The purpose of the two meetings was not to coordinate policies but rather to

⁶ See http://ec.europa.eu/archives/growthandjobs/european-dimension/index_en.htm#b

prepare the first national progress reports on SD strategies (Berger & Zwirner 2008; see below). While all the EU countries monitor NRPs with a customised set of Structural Indicators, most SD strategies are monitored with country-specific SD indicator sets (Steurer & Hametner 2011). Based on extensive national progress reports⁸ and an SD Monitoring Report from Eurostat (2007), the Secretariat-General issued a progress report on the EU SDS in 2007 (European Commission 2007). In 2009, this activity was downscaled to a comparatively brief report without Member State input (European Commission 2009). This and other developments indicate that the Secretariat-General is (or became) largely inactive in the context of SD. In contrast to the Lisbon Strategy where it functioned as an important EU pacemaker, it does not foster effective exchange among the Member States, does not assess national progress towards SD, and does not formulate recommendations on how to improve SD policy making across the EU.

Table 1: Similarities and differences of the Lisbon Strategy and the EU SDS⁹

	Lisbon Strategy	EU SDS
Adoption/renewal/termination	2000 (Lisbon Council)/2005/2010	2001(Gothenburg Council)/2006/2012
Key purpose	Economic and social policy reforms across the EU that enhance competitiveness, economic growth and employment in the mid-term	Better integrate environmental and social policies into other sectoral policies across Europe in the long-term
Coordination at the EU level	Secretariat-General March European Council, annually	Secretariat-General December European Council, bi-annually
National strategies and their focus	National Reform Programmes (NRPs): economic and social policies	National SD Strategies (NSDSs): environmental, social, economic and development policies
Coordination at the Member State level and interaction with European Commission	High-level politicians (often ministers) or public administrators from Economic Affairs Ministries; the 'Lisbon coordinators' group is regularly convened by the Secretariat-General	Mid-level public administrators, most often from Environment Ministries; the 'SDS coordinators group' was convened twice in 2007, and never since
Historical link between EU and Member State strategies	NRPs are mirror strategies of the EU's Lisbon Strategy with a top-down genesis and an exclusive EU history	First NSDSs are dominated by international guidance, new strategies are increasingly linked to the renewed EU SDS

⁷ For an overview, see <http://www.sd-network.eu/?k=country%20profiles>.

⁸ For the national progress reports 2007, see http://ec.europa.eu/sustainable/news/index_en.htm#report_2007_en.

⁹ For similar comparisons, see Steurer et al. (2008), Pirgmaier (2008), and Berger & Zwirner (2008).

<p>OMC features</p> <ul style="list-style-type: none"> • Common policy goals • EU-wide coordination • Indicators • Reporting • Benchmarking and recommendations 	<p>Ideal-type OMC from the beginning:</p> <ul style="list-style-type: none"> • Integrated guidelines guide policy reforms throughout the EU; • Coordination meetings are convened regularly by the Secretariat-General; • Sets of 'Structural Indicators' help to monitor progress coherently across Europe; • Annual reporting obligations at the EU and Member State levels go hand in hand; • Member States are regularly assessed, benchmarked and guided with recommendations by the European Commission; etc. 	<p>Temporarily developed into a 'light form of OMC' around 2006:</p> <ul style="list-style-type: none"> • Key challenges are identified at the EU level; • SDS Coordinators' group met twice in 2007 but never since; • Member States have developed their own SD indicator sets; more recently they align them with the Eurostat set; • Bi-annual reporting at the EU level (in 2007 with input from Member States; downscaled in 2009); • No assessments and benchmarking by the European Commission but a few peer reviews of national SD strategies
<p>Interim updates and thorough reviews</p>	<p>3 year update cycle for EU Lisbon Strategy and NRPs; thorough review in 2010/2011</p>	<p>No common update cycle of EU and Member State strategies; review of the EU SDS scheduled for 2011</p>

Obviously, the OMC manifests itself in the (renewed) Lisbon Strategy to an increasing degree, and it spilled over to SD strategies around the renewal of the EU SDS, at least temporarily in the years 2006 and 2007 (for a comparison, see Table 1). Accordingly, the European Council stressed in its first review of the EU SDS in December 2007, '[t]he renewed EU Strategy and national strategies for sustainable development also need to be linked up more closely' (European Council 2008a, 16). Since then, however, the 'light form of OMC' applied in the EU SDS deteriorated, together with the political salience of the EU strategy itself. This deterioration and the lack of horizontal integration between Lisbon and SD strategies is described in the following section.

4. How and why Lisbon and SD strategies ran past each other

In its first EU SDS progress report, the European Commission (2007a) emphasised, 'At EU level, the challenge is to work towards convergence of the overarching long term objective of sustainable development, focusing on quality of life, inter-generational equity and the long-term viability of European society, and the medium term goal of growth, competitiveness and jobs under the Lisbon strategy' (European Commission 2007, 4). Similarly, the European Council noted at the occasion of the Lisbon Strategy relaunch in spring 2005, 'the Union must mobilise to a greater degree all appropriate national and Community resources (...) in the Strategy's three dimensions (economic, social and environmental) so as better to tap into their synergies in a general context of sustainable development' (European Council, 2005, para. 6). Since the policy objectives of Lisbon and SD strategies complemented each other, strong horizontal governance linkages between the two strategies at both the EU and Member State levels would have been important to fulfil the ambitions quoted above (and to life up the complementarity rhetoric summarised in section 1). Yet, in how far did everyday governance routines actually link Lisbon and SD strategies at both the EU level and in Member States?

The European Commission itself did not follow up on its own turf. Although the only environmental guideline of the Lisbon Strategy ("to encourage the sustainable use of resources and strengthen the synergies between environmental protection and growth") duplicated key challenges that are dealt with in detail in the EU SDS (for an overview of key policy objectives in both strategies, see Annexes 1 and 2), and although both EU strategies were/are coordinated by the Secretariat General, horizontal governance linkages never materialised. While the Secretariat General was a key driver of the Lisbon Strategy, the EU SDS has been rather issue-driven by a few sectoral Directorates General (in particular by DG Environment) before it lost momentum in recent years.¹⁰ The different governance routines and timetables that have been employed in the two strategy processes (see section 3) were certainly not helpful in this respect.

How strong are the horizontal linkages between Lisbon National Reform Programmes (NRPs) and national SD strategies? As several discussions within a network of public administrators responsible for SD strategies¹¹ and three qualitative country studies on Austria, Sweden and the UK (Pirgmaier 2008) have shown, governance routines in EU Member States only mirrored the disjointed picture at the EU

¹⁰ This judgement is based on several years of first-hand experience in coordinating the European Sustainable Development Network/ESDN. For details, see footnote 1.

level. In other words, the governance of national Lisbon reform programmes and SD strategies did not match the complementarity rhetoric in Council Conclusions either. In Austria, Sweden and the UK, the responsibility for Lisbon and SD strategies was assumed by different coordinators and inter-ministerial bodies, and the ties between them were rather weak. In Austria and the UK, officials from the Environment Ministry are responsible for the country's SD strategy, and for commenting on the NRP and the annual progress reports (in particular on policies regarding the sustainable use of natural resources and strengthening synergies between environmental protection and economic growth). Likewise, the administrators who were responsible for the Lisbon Strategy commented on the economic and employment aspects of SD strategy drafts. Although Sweden had established at least stronger personal ties between the Lisbon and the SDS groups, Pirgmaier (2008) concludes, 'All [interviewed] government officials across the three countries agree that both strategic processes co-exist side by side' instead of being intertwined.

Why was the complementarity of Lisbon and SD strategies in Europe rhetorical rather than substantial? The remainder of this section suggests the asymmetry in political salience, the complex governance structures in both strategies, and the symbolic character of the EU SDS as explanatory factors. Regarding the asymmetry in political salience, it is to note that, on the one hand, the Lisbon Strategy was a high-profile political strategy concerned with top priority issues such as economic growth, competitiveness, and employment. These issues have dominated the political agenda of the EU long before the launch of the Lisbon Strategy (Steurer 2001). On the other hand, the environmental and social focus stood in the shadow of the Lisbon Strategy even around the launch of the EU SDS, and its political salience has further deteriorated since then. This deterioration of the EU SDS can be deduced from the following four developments. First, the 'SDS coordinators group', a group of Member State representatives convened by the Secretariat General, met twice in 2007 and never since. Second, while national SD strategies were regarded as promising new governance tools in the first half of the 2000s (Steurer & Martinuzzi 2005), more recent empirical evidence suggests that most of them fail to live up to their key purpose to better coordinate SD policies horizontally across sectors and vertically across levels of policy making (Steurer & Martinuzzi 2007, Steurer 2008). Since the implementation of the EU SDS relies mainly on Member State policies, it can be assumed that the disappointing performance of most national SD strategies also weakens the status of the EU SDS. Third, the EU SDS progress report was downscaled considerably from a comprehensive review in 2007 that was based on Member State progress reports (European Commission 2007) to a brief report in 2009 without input from Member

¹¹ See footnote 1.

States (European Commission 2009). Fourth, the low political salience of SD strategies (including the EU SDS) is also indicated by the fact that the successor of the Lisbon Strategy, the Europe 2020 strategy, has been defined without input from those responsible for SD strategies. Although the European Council stressed in its March 2008 conclusions ‘that a continued EU-level commitment to structural reforms and sustainable development and social cohesion will be necessary after 2010 in order to lock in the progress achieved by the renewed Lisbon strategy for growth and jobs’, it invited only ‘the Commission, the Council and the National Lisbon coordinators to start reflecting on the future of the Lisbon Strategy in the post-2010 period’ (European Council 2008b, para 6). If the national Lisbon coordinators are invited to reflect also on SD, one can wonder what functions the EU SDS and national SD strategies have at all besides for political symbolism (for details see below). In early 2010, the European Commission presented the “Europe 2020” strategy (European Commission 2010), formulated without noteworthy input from those responsible for SD strategies. In how far can the obvious asymmetry of political salience between Lisbon and SD strategies explain the lack of horizontal linkages? While Lisbon coordinators were hardly interested in spending their time with politically weak SD strategies, SD strategy coordinators were afraid of being overrun by the Lisbon agenda and therefore hoped that the double-track pursuit of sustainable development helped to preserve their limited yet undisputed sphere of influence that was expected to shape the Lisbon agenda from a distance.¹²

The fact that the complementarity rhetoric was not matched with respective governance linkages also had to do with the cross-sectoral nature and the complex governance setup of the two EU strategies (see section 3). Based on empirical evidence on national SD strategies in several European countries, we can conclude that implementing a cross-sectoral strategy is an ambitious task in itself that questions the traditional functioning of public administrations (Steurer 2007; Steurer & Martinuzzi 2007). Since the Lisbon Strategy was a similarly cross-sectoral approach that facilitated a complex European governance regime and that also fell short in meeting its objectives (see Kok 2004; European Commission 2010a), keeping it separate from equally complex (but less powerful) SD strategies was not only a question of political prioritisation but also one of ‘strategic manageability’.

¹² This judgement is based on several personal communications with Lisbon and SD strategy coordinators, and on some of the interviews conducted by Pirgmaier (2008).

The third and final explanation for why the Lisbon and SD strategies ran in parallel rather than in close coordination is concerned with the value-added of a symbolic EU SDS (for symbolic policy making, see Newig 2007, Baker 2007, Blühdorn 2007). According to Newig (2007, 280f), a legislation (or here more appropriate, a policy) is symbolic when it fails to meet its own objectives but is 'suited to release the legislators from political pressure and to enhance their political acceptance'. If a legislation (or a policy) fails in both respects, one can speak of legislation 'for the files' (Newig 2007, 280). The low (and decreasing) political salience of the EU SDS and the lack of coordination with the more salient Lisbon Strategy given, the EU SDS can be placed somewhere between these two prototypes of policy making. However, as Steurer (2008) shows elsewhere, there is apparently some (administrative) scope within political symbolism that some SD strategies are able to occupy. 'The fact that politicians do not care much about sustainable development strategies implies not only that key decisions are made frequently without reference to the sustainable development strategy process, but also that administrators can make use of their limited scope' (if they are dedicated to do so), e.g. in initiating small- and medium scale projects and programmes, and in trying to shape the political agenda setting from a distance (Steurer 2008, 106f). While this 'administrative driving force' can be found in the SD strategies of some Member States and in the development phase of the EU SDS, it is apparently lacking in the Secretariat General, the EU's coordinating body that 'inherited' the implementation of the EU SDS.

5. Concluding discussion and outlook on 'Europe 2020'

This paper started out by reciting Council rhetoric stressing the complementarity of the Lisbon Strategy and the EU SDS. It then showed that the two strategy processes have different histories and governance arrangements but complementary contents. On the one hand, the Lisbon Strategy has been described as a genuinely European answer to global pressures that focuses mainly on economic growth and employment. On the other hand, the EU SDS has been characterised as a strategy based on international guidance that integrates environmental and other social policies but neglects economic issues. Although policy makers recognised that close horizontal linkages between the two strategy processes were key success factor for a coherent and balanced pursuit of SD across Europe, the present paper has shown that these linkages never materialised, neither at the EU level nor between Lisbon reform programmes and SD strategies at the national level. A key explanation behind this finding is that the SD concept plays an important rhetorical role in Europe but faces limits when it comes to the actual governance and the implementation of respective strategies and policies. On rare occasions, the rather symbolic function of the EU SDS (and national SD strategies) is unmasked not only implicitly in the lack of adequate governance arrangements and policy implementation efforts but also explicitly in policy documents. In 2005, for example, the European Commission was obviously concerned that some

policy makers (or evaluators) take the EU SDS objectives on balancing economic, social and environmental interests too far (in particular in applying impact assessments to new regulations), and it warned in an unusual way:

While the existing impact assessment tool provides a solid basis, the Commission believes that the assessment of economic impacts must be strengthened so as to contribute to the objectives of the renewed Lisbon strategy. Deepening the economic pillar of impact assessment does not compromise the importance of “sustainable development” and the integrated approach, which remains the basis of the Commission’s approach. Deepening the economic analysis, which also includes competition aspects, should improve the quality of the assessment of the true impact of all proposals (European Commission 2005a, 5).

In the same year, the European SD rhetoric quoted throughout this paper was unmasked even more openly at the relaunch of the Lisbon Strategy in 2005 (one year before the renewed EU SDS was adopted in June 2006). As Giddens summarises,

‘The social and environmental aspects of the Lisbon Agenda seemed to some critics to have been put on the back burner. Commission President José Manuel Barroso replied to his detractors by saying: “If one of my children is ill [i.e. the economy], I focus on that one, but that does not mean I love the others less” (Giddens 2006, 166).

According to Eurostat, the GDP growth rate for the EU-25 was 2% in 2005, 3.1% in 2006, and slightly lower in the Euro zone.¹³

What can we conclude from the fact that the double-track pursuit of SD in Europe obviously failed to deliver? While policy integration is a politically and administratively difficult (and politically often ignored) but tangible task between two sectors, it seems to become purely symbolic when a strategy becomes too all encompassing, or when two comprehensive cross-sectoral strategies are supposed to complement each other in coordinated ways. What are the (complementary) options to replace the double-track pursuit of SD with two comprehensive strategies that obviously failed between 2000 and 2010? First, the two complementary cross-sectoral strategies could be merged into one, or environmental issues could play a more prominent role in the ‘Europe 2020’ strategy. Although the European Commission notes in the EU SDS progress report from 2009, merging the two ‘cross-cutting strategies does not seem feasible given the different roles they fulfil’ (European Commission 2009, 13; for an explanation see section 4), the ‘Europe 2020’ does embrace the environmental dimension of sustainable development more consistently as the Lisbon Strategy did (European Commission 2010). Interestingly, the integration of climate policy objectives in the ‘Europe 2020’ strategy is not owed to the

influence of SD strategies, but to the political attention climate issues gained over the last years. As Jordan und Lenschow (2008, 316f) note, it is telling that by the mid-2000s the key drivers of environmental policy development in Europe “were not EPI [Environmental Policy Integration] or even sustainable development-related programmes and measures, but more straightforwardly ‘environmental’ problems such as climate change, water scarcity and urban air quality.” The sustainable development and the EPI concepts may have helped to raise awareness for economic opportunities in environmental protection, and to better integrate environmental policies in other sectors, but the role SD strategies actually played in this development was marginal. By times, those responsible for SD strategies were even concerned about the dominance of climate change issues and the direct linkages that were established between climate and economic policies (e.g. in economic recovery packages adopted across Europe; see European Commission 2008¹⁴) without their involvement. This concern is obviously not about the substance of sustainable development but about the marginalised role SD strategies play across Europe.

Second, the integration of key environmental issues in the ‘Europe 2020’ strategy should be complemented not with a similarly cross-sectoral SD strategy but with a more focussed European environmental and climate strategy (merging the Environment Action Programme and the EU’s climate policy package adopted by the European Council in 2009). As Jordan and Lenschow conclude, “rather than being interpreted as the overarching concept, sustainable development seems to be seen as ‘easier’, less challenging when compared to EPI. In times of retreat from environmental policy integration, rhetoric tends to shift to sustainable development as a presumably more even-handed concept. [...] Politically speaking [...] sustainable development is more frequently read as prioritizing economic development while ‘taking into account’ environmental objectives and searching for synergetic effects” (Jordan & Lenschow 2008, 338). The evidence presented here and the conclusion drawn from it suggest that the contribution of the even-handed notion of sustainable development to environmental policy making should at least be questioned critically, in particular in the context of the EU’s Lisbon and ‘Europe 2020’ strategies. While the balanced understanding of SD has obviously great difficulties in better integrating economic, social and environmental policies, a more focused EU environmental and climate strategy may be able to complement the economic and social focus of the ‘Europe 2020’ strategy more effectively.

¹³ <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsieb020>

¹⁴ The Commission, e.g., planned to promote “the rapid take-up of “green products”” by proposing ‘reduced VAT rates for green products and services, aimed at improving in particular energy efficiency of buildings’ (European Commission 2008, 15).

Since the option of returning to more focused environmental strategies stands not only against the still predominant governance zeitgeist associated with the sustainable development concept, but also against the logic that administrators working on SD strategies do not question their own competencies, the latter explore a third option. Those responsible for SD strategies wonder how to attain a politically more salient future for their own turf.¹⁵ However, based on what this paper and other research (Steurer & Martinuzzi 2007, Steurer 2008) has brought to light, SD strategies are doomed to failure if they hold on to their original purpose of coordinating and integrating all kinds of economic, social, and environmental policies. What SD strategies can (and should) realistically achieve is (i) providing guidance on how societal development should look like in the near and far future, (ii) translating this general vision into operational priorities, and, (iii), communicating both vision and priorities throughout the political system, to businesses (as a quest for more voluntary Corporate Social Responsibility/CSR), and to society at large (for a similar understanding of SD strategies as communication instrument, see Jacob et al. 2008). Compared to the ambitious purpose of SD strategies as described in numerous guidelines (Steurer & Martinuzzi 2005), this option seems to be a retreat in the governance of SD. Taking into account political realities and the role awareness plays in understanding and realising win-win solutions, recalibrating SD strategies to what they can realistically achieve may prove to be adequate progress after all.

¹⁵ This topic was discussed at the ESDN Conference in Prague in June 2009. For a documentation of a telephone survey and the working group discussions, see <http://www.sd-network.eu/?k=ESDN%20conferences&s=home&year=2009>.

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Annex 1: The Integrated Guidelines for Growth and Jobs (European Commission 2005d)

Macroeconomic guidelines

- (1) To secure economic stability.
- (2) To safeguard economic and fiscal sustainability.
- (3) To promote a growth- and employment-oriented and efficient allocation of resources.
- (4) To secure economic stability for sustainable growth.
- (5) To ensure that wage developments contribute to macroeconomic stability and growth.
- (6) To contribute to a dynamic and well-functioning EMU.

Microeconomic guidelines

- (7) To increase and improve investment in R&D, in particular by private business.
- (8) To facilitate all forms of innovation.
- (9) To facilitate the spread and effective use of ICT and build a fully inclusive information society.
- (10) To strengthen the competitive advantages of its industrial base.
- (11) To encourage the sustainable use of resources and strengthen the synergies between environmental protection and growth.
- (12) To extend and deepen the internal market.
- (13) To ensure open and competitive markets inside and outside Europe and to reap the benefits of globalisation;
- (14) To create a more competitive business environment and encourage private initiative through better regulation.
- (15) To promote a more entrepreneurial culture and create a supportive environment for SMEs.
- (16) To expand, improve and link up European infrastructure and complete priority cross-border projects.

Employment guidelines

- (17) To implement employment policies aimed at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion.
- (18) To promote a lifecycle approach to work.
- (19) To ensure inclusive labour markets, enhance work attractiveness and make work pay for job-seekers, including disadvantaged people, and the inactive.
- (20) To improve matching of labour market needs.
- (21) To promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners.
- (22) To ensure employment-friendly labour cost developments and wage-setting mechanisms.
- (23) To expand and improve investment in human capital.
- (24) To adapt education and training systems in response to new competence requirements.

Annex 2: Key challenges and cross-cutting policies of the EU SDS

Key challenges:

- CLIMATE CHANGE AND CLEAN ENERGY
- SUSTAINABLE TRANSPORT
- SUSTAINABLE CONSUMPTION AND PRODUCTION
- CONSERVATION AND MANAGEMENT OF NATURAL RESOURCES
- PUBLIC HEALTH
- SOCIAL INCLUSION; DEMOGRAPHY AND MIGRATION
- GLOBAL POVERTY AND SD CHALLENGES

Cross-cutting policies:

- EDUCATION AND TRAINING
- RESEARCH AND DEVELOPMENT
- FINANCING AND ECONOMIC INSTRUMENTS
- COMMUNICATION; MOBILISING ACTORS AND MULTIPLYING SUCCESS