The impact of the risk society thesis on environmental politics and management in a globalizing economy – principles, proficiency, perspectives

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Abstract

The risk society thesis by Ulrich Beck has been one of the more extensively discussed frameworks in environmental management. This paper tries to give an overview over Beck’s extant and fragmented work and ventures to identify the main contributions and implications. It starts with a discussion of the background and principles of Beck’s work and identifies the core ideas as well as the theoretical underpinnings. On that basis the paper shows the manifestation of Beck’s early ideas in contemporary environmental politics revealing the influence of the risk society thesis especially for environmental management. Following on to more contemporary parts of Beck’s work the paper then shows that ‘risk’ and ‘globalization’ are in fact manifestations of the same phenomenon. Both challenge and invert the role of governments on the one side and the role of various social actors on the other side. The paper concludes by discussing major consequences of Beck’s thinking for the current agenda of corporate actors in particular.

KEY WORDS: risk society; reflexivity; regulatory; innovation; globalization; corporate power

1. ‘Risk Society’: the roots

The concept of the ‘Risk Society’ (Beck, 1986, the abbreviated English translation is Beck, 1992) emerged from two distinct developments. On the one hand its historical context lies in the environmental movement and in environmental politics in Europe, on the other hand it has been strongly shaped by contemporary developments in sociological theory.

On a historical level risk society was published in the middle of the 1980s at the end of the first ‘wave’ of the environmental movement, after the first big ‘flood’ of environmental legislation in most of the (then) Western industrialized economies. At the beginning of the environmental movement concerns focused on undesired side-effects, as Beck calls them, of production processes and products. Regulation restricted the impact of industry on air, water, soil etc. The harmful effects were material, measurable, tangible emissions. In most cases they were physically to be perceived and measured, and so, the source was relatively easily identified. This made them fairly easy to regulate, because the question

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of responsibility was easily answered. The result were numerous regulatory efforts to restrict air pollution (targeting substances like SO$_2$, NO$_X$, dust etc.), water pollution (targeting the amount of pollutants), noise, energy consumption (targeting the level of fuel consumption of automobiles etc.) and various other fields. The general approach was to leave the industrialized economy as such unchanged while at the same time reducing the undesired environmental harm. Main sources lay in industry and so, governments took a fairly straightforward stance to target the polluters with various types of legislation.

By the middle of the 1980s, however, it became more and more clear, that notwithstanding the successes of this approach, a decisive ‘fraction’ of environmental issues remained almost entirely ignored by governmental regulatory efforts. So, for instance, 1986 as the year of the initial publication of the risk society thesis could be regarded as the climax of a dense series of catastrophic accidents in large-scale chemical production, starting with Seveso and finding a preliminary climax in Bale (Sandoz) and Bhopal. Furthermore, El Niño and the depletion of the ozone layer in the southern hemisphere drove the risks of global climate changes into the public’s consciousness. An increasing debate on the safety of industrialized food production put the potential harms of the lifestyle of industrial societies on the agenda. However, risks are not only caused by catastrophic events. Increasing awareness of the phenomenon was also reached by those harms (especially to human health) which occur time-delayed and where the causes are latent and diffuse (cf. Wynne and Dressel, 2001).

While environmental regulation had been quite effective in regulating actual, material harmful consequences of the lifestyle of industrialized countries, Beck argues that there has been a broad neglect of those consequences that are potentially harmful, immaterial and only perceived psychologically. Nevertheless society is becoming increasingly aware of their relevance and harm as the (ongoing) public debates on nuclear or genetic risks have shown. For several reasons these risks are far more difficult to handle than ‘conventional’ pollution (Matten, 1998). The general problem of these environmental risks lies in the fact that they cannot easily be assigned to one particular actor and source but in fact are inherent to the industrialized, energy- and material-intensive lifestyle of most countries in the (then) first and second world. Coping with the risk of nuclear power or greenhouse gases inevitably threatens the lifestyle and welfare of modern societies. Consequently, governments – formerly quite successful in managing environmental problems – have so far been very reluctant to threaten their electorate’s standard of living by, for instance, decreasing of mobility and freedom of choice. To sum up the historical background of the risk society, at about the middle of the 1980s environmental risk emerged as a highly relevant field of environmental management while at the same time political responses to the issues had been comparatively bleak and ineffective (Webler et al., 2001).

There has been quite a debate about this starting point of Beck’s account, focusing especially on the question of how new these risks are and how unprecedented the notion of governmental failure really is (Bennet, 1999; Abbinnett, 2000). These critics are right in assuming that many of the phenomena Beck identifies are not new in the sense that they have never existed before. The important aspect though seems to be that the proliferation of these risks and the fact that they become a dominant pattern of societal and institutional behaviour is a development which has not been witnessed in classical industrial societies. This argument can also be brought forward with regard to those critics who see the risk society chiefly as an expression of certain national culturally
specific circumstances in Beck’s native Germany (Goldblatt, 1996; Fischer, 1998; Dingwall, 1999; Scott, 2000). Undoubtedly, Germany used to be more concerned about environmental decay than certain other countries; however, the reception of Beck’s work worldwide shows that, maybe to a lesser degree, the starting points of his theory are relevant far beyond the German context. This applies certainly to industrialized countries, as research across various disciplines from the US (Beamish, 2001), the UK (Perrons, 2000), Australia (Gleeson, 2000) and Scandinavia (Moldrup and Morgall, 2001) shows; and the work by Crotty and Crane as well as by Phung and Mol in this Special Issue show that these phenomena are worth discussing in the developing world as well.

On the theoretical level, the risk society thesis represents a specific development and application of the Giddens’ concept of ‘reflexive modernization’ (Giddens, 1990), to whose work most of Beck’s more recent writings are linked closely in terms of theory (Beck et al., 1994; Lash et al., 1996). The concept of reflexive modernization stands in contrast to ‘classical’ modernization. ‘Classical’ modernity basically is regarded as the modernization – mainly rationalization – of the traditional makeup of societies, and manifests itself in the entire process leading from traditional societies to ‘modern’ societies in the course of the enlightenment. One important aspect, however, was the modernization of manufacturing and production leading to the industrialized, capitalist, divided labour form of economies. ‘Reflexivity’ is defined by Giddens as the fact that ‘social practices are constantly examined and reformed in the light of incoming information about those very practices.’ (Giddens, 1990, p. 38). In broader terms, reflexive modernization no longer ‘modernizes’ traditional societies, but modern societies themselves are an object of modernization. With regard to environmental risk, this means that modern societies find themselves confronted with certain unignorable consequences of their ‘modern’ lifestyle (which Beck calls ‘side-effects’) and, consequently, have to find rational solutions to these problems (Beck, 1997c, pp. 11–60). This process however, changes various fundamental pillars of modern societies on the way to reflexive – or ‘late-’, ‘high-’ modernity (for the use of these terms see Giddens, 1990). This leads to the definitory nucleus of the risk society.

2. Basic features of the risk society thesis

The border between ‘traditional’ modern society and the risk society is defined by a very simple criterion: the phenomenon of risk society becomes visible where societies are exposed to risks which are no longer covered by any kind of insurance (Beck, 1993, p. 44). Risk in itself is not a new phenomenon. Beck differentiates between dangers and risks (Beck, 1988). Dangers have been known since the early history of mankind: for example, there have always existed potential threats to health and existence by natural catastrophes. Risks however originate in decisions taken by man. And even here, risks such as the possibility of accidents in factories or in traffic were already known in industrial societies. But these risks were covered by another efficient institutional design of modern societies, which is the principle of insurance. By ‘insurance’, however, Beck does not allude simply to the breakdown of some notion of a ‘welfare state’ – as some of his critics misunderstand (e.g. Bennet, 1999) – but the general failure of modern institutions to cope with the self-imposed consequences of modernization. The risks inherent in large-scale chemical production, nuclear power, genetic engineering, or global climate
change transcend the capacity of conventional insurance solutions. They thus put into question all hitherto known instruments and institutions for tackling risks and threats. According to Beck, looking at four aspects could highlight the dynamics of these risks and their social impact. Figure 1 presents a characterization of the risk society by comparing it to earlier stages of social evolution.

First, there is the ambivalence of the decision over these risks (see the second row in Fig. 1). On the one hand these risks are man-made, they go back to decisions taken by government, industry or even society as a whole by choosing a certain, risk-inducing lifestyle. On the other hand if the individual exposed to these risks is considered it becomes clear that these risks are not the result of any particular individual’s decision. They are inescapable consequences of an entire lifestyle of society. Unlike the risk of driving a car, working in a hazardous plant or practising a hazardous sport – all of which are incidents which are in principle insurable – the risk of a nuclear accident is imposed on everybody regardless of his individual choice to use electricity or deciding on a specific type of energy supply and its risk profile.

Second, the risks that constitute the risk society, are not limited by traditional boundaries of industrial societies. They are confined neither to a certain location, nor to a limited time span, nor to particular groups in society. Nuclear risks, as the example of Chernobyl shows, are not confined to a single region or country, nor do they spread out to certain social groups in society exclusively. The social aspect in particular adds to their new character: risks in industrial societies, such as workplace risks, were only

<table>
<thead>
<tr>
<th>Type of risk</th>
<th>Pre-modernity</th>
<th>Industrial society (Modernity)</th>
<th>Risk society (Reflexive modernity)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dangers, natural catastrophes</td>
<td>Risks at the workplace, accidents</td>
<td>Artificial catastrophes, self-imposed risks</td>
<td></td>
</tr>
<tr>
<td>Dependence on individual's decision</td>
<td>No (gods, demons)</td>
<td>Yes (driving, flying, workplace are in the individual's choice)</td>
<td>No (collectively taken decision, lifestyle is imposed on the individual)</td>
</tr>
<tr>
<td>Scope of destruction</td>
<td>People, countries, cultures</td>
<td>Limited by space, time, social boundaries</td>
<td>Unlimited 'accidents'</td>
</tr>
<tr>
<td>Calculation of destruction</td>
<td>Uncertain; politically irrelevant, regarded as external fate</td>
<td>Calculable uncertainty (likelihood, level of destruction known, compensation available via insurance)</td>
<td>Very small/no likelihood level of destruction infinite: no calculation possible</td>
</tr>
<tr>
<td>Responsibility</td>
<td>External fate</td>
<td>Rules of assignment</td>
<td>Yes and No: organized irresponsibility</td>
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Fig. 1. Characteristic features of the risk society (adapted from Beck 1988: 121–22).
relevant to certain (social) groups, such as workers in dangerous working environments or parts of society that were unable to afford necessary precaution. This lack of traditional boundaries again makes risk into a phenomenon, which is comparatively difficult to handle by the political institutions of classical modernity (Beck, 1999b).

Third, these risks are incalculable in terms of the traditional rationale of insurance economics since the probability of their occurrence on the one hand and the level of potential damage on the other is not known at all. There exists no likelihood to be calculated for these incidents. In many cases their probability tends towards zero while at the same time the potential loss tends towards infinity. The traditional norm systems of modernity no longer apply. Many of these risks are ‘new’, only to be perceived cognitively and existing primarily in the individual’s imagination: the consequences of genetic engineering or the impact of radioactive contamination on the food chain are not as visible as smoking chimneys or killed fish in a polluted river. Consequently, subjective perception of risks becomes the dominant pattern of description and definition of risks (Renn and Rohrmann, 2000).

This leads to a fourth characteristic. The political institutions of modern societies are unable to cope with these new types of environmental risks. All the characteristics mentioned so far lead to the result that these risks are delegated to fairly open political processes in society: The issue of responsibility is open, institutions and norm systems are incapable of dealing with these issues and the traditional boundaries of social interactions are no longer valid either. Beck labels this situation by ‘organized irresponsibility’ (Beck, 1988). Political institutions in industrial modernity focus on progress and predominantly try to solve distributive tasks, most notably the distribution of wealth. But this distributive rationale is inappropriate for risks where society’s aim is just inverted: rather than receiving their ‘fair’ or ‘just’ share of risk, the dominant interest of individuals consists in avoiding being affected by risks. This claim has led to some criticism (Fischer, 1998; Dingwall, 1999) which argues that even risks are a matter of distribution in societies and thus the need-oriented preoccupation with distributive problems is still rather high on the political agenda. However, this argument overlooks the fact that rather than positively seeking a maximum share of a desired good, for instance in the course of a mediation process, individuals or groups bargain negatively about maximizing the absence of an undesired commodity, namely risk. It is debatable whether there are not certain similarities between the two problems but it is evident in comparing, for example, political debates on welfare issues with the debate on food safety that both issues demand significantly different institutional arrangements.

In the editorial to this Special Issue some of the criticisms of the risk society thesis have already been mentioned. Without repeating the major points it has to be conceded that Beck’s way of developing, extending and modifying his theoretical approach over the last 15 years has not helped to produce an unambiguous understanding of his work. It might even be contended that many of his ideas have only come to clarity through literature that has been in (critical) dialogue to his work over recent years (e.g. Lash et al., 1996; Abbinnett, 2000; Beck et al., 2000; Wilkinson, 2001). However, much of the work of others using Beck’s ideas as a framework have implicitly addressed the critique of his ideas. In the following the significance of the risk society thesis is shown by looking at two aspects. First of all major political consequences of these risks are discussed and it is shown how political institutions in the risk society function (Beck, 1993; 1995; 1996; 1997c; 1997a). In a second step the focus is narrowed down specifically to the
industrial sphere and the way that the risk society has shaped, influenced and altered its role and way of managing environmental risk examined (Matten, 1998).

Apart from these strongly risk-related issues, many incidents and fields of the environmental debate clearly reveal the limits of classical modern political institutions. The textbook example still is the intended dumping of the Brent Spar oil rig, where consumer protests led by non-governmental organizations (NGO) resulted in some rather new patterns of resolving environmental dispute. And in fact, one of Beck’s own further streams of work has centred around the broader notion of civil society and how civil society demands new patterns, institutions and processes of political leadership and decision making (Beck, 1997a, 1998c).

Finally, a development which partly coincided with, and partly emerged from the debate on environmental risk is the growing public concern with the undesired side-effects of globalization. On the one hand, these effects consist of the increasing spread of environmental risks across national borders (Linneroth-Bayer et al., 2001). As such, global environmental risks are beyond the control of nation states, and therefore fall into the sphere that Beck labelled ‘organized irresponsibility’. There has been a considerable proliferation of environmental treaties on a global scale but they have failed so far to produce significant improvement in many of the key issues such as global warming, threats to biodiversity or rain forest depletion. On the other hand, the globalization debate in itself represents another arena of reflexive modernity. Economic modernization, most notably the neoliberal efforts to create free global trade regimes, alongside technological modernization – from air traffic to the internet – have led to the latent erosion of the nation state and the failure of its institutions to tackle the undesired consequences of globalization (Giddens, 1990, 1999). To a great extent Beck’s recent work has moved into this current debate, which, as discussed below, represents a distinct follow-up to his earlier work on risk society.

3. Implication for environmental politics: ‘Subpolitics’

The theory of risk society in essence could be reduced to providing insight into two groups of questions. The first addresses the incapability of late modern societies to cope with the consequences of modernization. Institutional failures are said to render modernist ‘advances’ such as mass production, factory farming, nuclear energy or gene technology beyond controllability. Hence, the apparatur of modernism is simply unable to cope with its own consequences.

The second main contribution of Beck’s work is to suggest significant institutional innovation as a pathway out of the lethargy and failure of modern societies to cope with these self-imposed consequences. Although many writers have accused Beck of being pessimistic and merely descriptive in his approach (Dingwall, 1999), and although the key innovative argument of the risk society thesis does indeed lie in its conceptual and explanatory content, Beck’s work has explored in detail (and optimism) the possibilities for grassroots subpolitics on the part of communities, NGOs and environmental campaigners, etc. to act as a new force in society, and as a new social control of the corporate sector. Since the traditional institutions of modern societies – most notably political institutions – are increasingly failing, Beck proposes a need for a whole range of new institutions, strategies and actors (Beck, 1993, abbreviated English translation is Beck, 1997c).
3.1. FAILURE OF ‘CLASSICAL’ POLITICAL ACTORS

In rather simple terms the main goal of industrial society was the production and accumulation of wealth. Consequently, political processes in this society were primarily focusing on this aspect, namely to insure the appropriate framework for production of wealth as well as mechanisms of the – however defined – ‘just’ distribution of wealth (Beck, 1994, 1995). While political institutions in industrial modernity have been fairly successful in fulfilling this task, these institutions have not been able to cope with the side-effects of wealth production which consists in the simultaneous production of (environmental) risks (Beck, 1997c).

Risk is a dominant preoccupation of this post-industrial ‘risk society’, but unlike their role in the industrial époque, governments are no longer able adequately to tackle the issue of risk. There are a number of reasons for this (Beck, 1988; see also Matten, 1998, pp. 25–47).

- Uncertainty and lack of scientific knowledge
  The nature, sources and consequences of many risks are insufficiently known. Therefore regulators do not know the concrete object of their regulation. Furthermore, many risks only become evident through catastrophes, which again is due to the limits of scientific knowledge.

- Unclear responsibilities
  Environmental risks are a consequence of lifestyle in industrialized societies. Therefore these risks cannot be assigned to an individual person, institution or group within society. Risks in this sense are ‘lifestyle-emissions’.

- Governments rely on democratic consent
  The handling of environmental risks entails severe cuts in the lifestyle of industrial democracies. Since political actors and institutions are acting within the short-term framework of electoral periods, they are not very likely to engage in severe cuts in living standards.

- Risk is a ‘messy’ object for regulation
  Risks cannot be physically perceived and objectively measured. They can only be regulated indirectly by targeting indicators or substances, which are regarded as the source of risks. Therefore it is hard to focus regulation on the risk itself and it is often accompanied by considerable lack of scientific uncertainty about the causes of the targeted effects. The textbook example is the risk of global warming: there is quite a variety of reasons which scientists have identified as potential influences while at the same time there is considerable doubt about the probabilities of single reasons. As the debate on the Kyoto treaty shows this ambiguity leads to strong controversies about the adequacy of particular regulatory measures.

- Lack of institutional mechanisms to manage risk
  Classic institutions for risk management in industrial society fail for the risks of the risk society. This is not only the case with insurance but with all other regulatory bodies. Industrialized societies create political and regulatory institutions according to the principle of division of labour. This leads to the fact that all these institutions care for certain fragments of social and economic life. By this, risks caused by society in general are not within the scope of these institutions, a situation described by Beck with the term ‘organized irresponsibility’. Furthermore this fragmentation of environmental regulation in industrial societies has led to an increasing number of acts, laws and ordinances, a situation normally described by the term ‘over-regulation’.
In the following Beck’s rather conceptual ideas, expressed roughly 15 years ago for the first time will be contrasted with the real-world developments in environmental politics during that time. Beck argued that the modernist ‘category error, the equation of politics and the state’ (Beck, 1997c, p. 98) has to be corrected in order to tackle environmental risks. The political monopoly of the state in fact has been diminished by several trends in environmental regulation and manifestations of politics that ‘breaks open and erupts beyond the formal responsibilities and hierarchies’ (Beck, 1997c, p. 99) can be clearly identified. Two current streams of debate in environmental politics and management shed a brighter light on the underlying patterns and mechanisms of subpolitics. First the field of ‘reflexive regulation’ will be looked at because it gives a rather stunning view on how new actors, especially corporate actors are entering the arena of environmental politics. Second, in addressing the issue of ‘symbolic uses of politics’ the rather ambivalent role traditional governmental actors still play in environmental politics will be investigated.

3.2. REFLEXIVE REGULATION

Reflexive regulation can be defined as ‘a legal theory and a practical approach to regulation that seeks to encourage self-reflective and self-critical processes within social institutions concerning the effects they have on the natural environment’ (Orts, 1995b, p. 780; see also Orts, 1995a). Reflexive regulation contrasts to the conventional models in environmental regulation, namely command-and-control and market-based regulation. Reflexive models of environmental politics are to be found in many forms and appearances (cf. Gibson, 1999; Ten Brink, 2002). Common to all is the fact that the regulated entities are no longer the object of environmental regulation, but they are already, at an early stage, an active part of the regulatory process. Governmental institutions in this context no longer focus on the concrete outcome of the regulatory process but they are responsible for the ‘rules of the game’ that lead to environmental regulation. In this context, some authors (Wagner and Haffner, 1999) also speak of ‘co-operative regulation’ (regulating and regulated bodies co-operate in setting up regulation) or ‘regulated self-regulation’ (companies, for example, regulate their environment-related behaviour according to some regulatory guidelines, set up by governmental bodies). The degree of discretion for the actors might vary from issue to issue but it is a crucial aspect that the state normally takes over the role of initiating the process. Reflexive regulation thus always has to some degree an element of external pressure from the government and is thus also referred to by the idea of ‘responsive’ or ‘enforced’ self-regulation (Ayres and Braithwaite, 1992).

There is a variety of reasons for the failure and limited value of conventional approaches that lead to reflexive models of environmental politics (Orts, 1995a; Wagner and Haffner, 1999). In the following the focus is on those with a specific relation to the idea of risk society.

A first aspect is the fact that conventional environmental regulation requires a high level of knowledge on the part of the administrative agencies in regulating an environmental issue. Often this knowledge is not available, or if so, it requires a considerable amount of costs for the regulators to acquire it. The regulated actors however, such as companies, are in possession of the relevant knowledge since – for the very end of commercial exploitation of hazardous technologies – they possess knowledge of the nature of their processes and their risks.
Even if governments were able to acquire the knowledge for adequate regulation, conventional environmental regulation is too static for the regulation of risks. As risks are strongly dependent on the development and the spread of knowledge in society, environmental regulation is often outdated before it even becomes ratified by the lengthy, well-established political processes of classical modernity (Gouldson and Murphy, 1998). This demands political processes that allow more flexibility alongside and during the regulatory process. At the same time, this transfer of regulatory work to the level of the regulated actors themselves offers the chance of getting along with fewer regulations, since (in theory) only those issues become an object of regulation, which really need to be addressed. Especially in environmental legislation many of the regulations, for instance, pertain to certain stages of the technological development with the result that a rapidly moving technological frontier outdates all acts and laws that were targeted on these issues. As mentioned earlier a particular problem in regulating risk is the fact that most risks require severe cuts in the standard of living in industrialized societies. Reflexive regulation takes the responsibility for these cutbacks away from governmental actors and transfer it to the community of the regulated actors. Especially in the area of waste management good examples can be cited from nearly all western countries where risk-related environmental issues are increasingly regulated in a way that imposes certain general targets on all actors involved—including consumers and companies—while granting these actors relative flexibility in defining concrete ways of implementation, realization and monitoring of measures (Renn et al., 1995; Karl and Ranné, 1999).

There are numerous examples of elements of reflexive regulation, which can be differentiated into formal and informal reflexive regulation (Orts and Deketelaere, 2001). Among the formal approaches could be counted self-commitments, privatized regulation, mediation processes, sentencing guidelines, voluntary agreements between government and industry, as well as environmental management and auditing schemes. More informal examples are codes of conduct (imposed by governments, supranational actors or industry associations), networks, institutional co-operations, and informal environmental agreements. As the recent overview in Ten Brink (2002) shows, reflexive regulation has been introduced in most areas of environmental regulation in nearly all countries of the developed world.

Without assessing these arrangements of reflexive environmental law in detail here (some of the papers of this Special Issue will do that) it becomes clear that Beck’s concept of ‘subpolitics’ achieved a clear and distinct manifestation in environmental politics. The political role of setting norms and defining standards of social action is increasingly shared between governmental and private, most notably corporate, actors. Nevertheless, it is undoubtedly the case—and the literature reflects this statement quite clearly—that governments still assume a major role in that process.

Beck’s optimism about the working of subpolitics, however, is not unanimously endorsed by the literature especially focusing on the corporate role in this context (cf. Orts, 1995a; Gibson, 1999; Kolk et al., 1999). The main concern here is not so much a conceptual one as to cast, once again, some doubt on the claim that these voluntary and private elements in the regulatory process are a new phenomenon (which they are not). The main point seems to be that corporations engage in self-regulation and voluntary environmental agreements all too often in order to undermine and obfuscate the original goal of actual environmental improvement and to avoid stricter regulation. As recent studies have shown, self-regulation is doomed to failure and a mere window-dressing if
it is not accompanied by explicit and severe governmental sanctioning mechanisms (c.f. King and Lenox, 2000). Therefore the notion of a subpolitical arena acting as a new political institutional setting without governmental interference seems to be a rather oversimplified account of regulatory realities.

3.3. SYMBOLIC USES OF POLITICS

In talking of ‘organized irresponsibility’ Beck describes the institutional failure of modern societies in tackling environmental problems: ‘Risk societies are characterized by the paradox of more and more environmental degradation – perceived and possible – coupled with an expansion of environmental law and regulation. Yet at the same time, no individual or institution seems to be held specifically accountable for anything.’ (Beck, 1999b, p. 149). A specific aspect of this phenomenon, giving way to various kinds of subpolitical moves by other actors, is the symbolic use of governmental politics. Though not entirely new as such (Edelman, 1964) the notion of symbolic uses of governmental politics has re-entered the debate on environmental politics especially in Germany in the context of environmental regulation (Hansjürgens and Lübbe-Wolff, 2000). It could be defined as a process, in which certain goals and measures are announced and enforced, which already at the very early stage of publication either represent sheer rhetoric and thus only target on a signalling effect – or are designed in a way that those goals and measures are not to be realized and implemented in the same way as they are announced (Hansjürgens, 2000, p. 147). Symbolic politics appears in a variety of forms, ranging from labels, images, the usage of a certain language up to concrete actions, codified in programmes, acts and/or ordinances.

There are several reasons for this approach to environmental politics (Steinberg, 2000).

• ‘Disguise’ of the true intentions
  On the one hand, environmental politics is often an instrument for other political goals. A current example is the issue of eco-taxation in Britain and Germany. Governments try to tackle the risk of global warming by imposing these taxes. Looking at the concrete construction and set up of this instrument however reveals that in most cases this tax cannot function as an incentive to use less fossil fuel but that it serves as an easy-to-be-communicated way of funding public budgets. On the other hand, symbolic environmental politics often serves as a tool to demonstrate a hands-on approach by government to issues, which are far too complicated to be tackled by governmental bodies alone. A good example is the German ordinance on summer smog which is a vast and complicated work of legislation which allows for such a large number of exceptions that even in times of smog alarm the actual results of the ordinance are marginal.

• Uncertainty
  Symbolic politics often focuses on issues that are as yet not fully explained by scientific evidence. Nevertheless, regulators feel public pressure to regulate the issues. Numerous current examples are to be found in continental Europe, where in 2000 and early 2001, national as well as EU administrative bodies hectically reacted to recent cases of BSE. The ban on certain foods for animals and categories of meats for humans reflects this situation: while there is still considerable lack of knowledge why BSE occurs and how it could possibly be transferred to humans – governments nevertheless
have to take at least some action – or better – re-action to demands of a public which sees basic elements of their daily living under threat.

- **Cost reduction**
  The example of governmental management of food risks reveals another reason for symbolic politics: in order to not only symbolically address environmental risks it would be necessary to gather further information. Since this is rather costly, governments refrain from it hoping that even mere symbolic action will result in the desired consent of their electorate.

- **Integration by symbols**
  Whereas the three aspects mentioned so far have shed a rather critical light on symbolic politics there are also some more constructive elements to it. In industrial societies fragmented by division of labour in nearly all political, social, economic, and cultural fields environmental politics often has to tackle issues which affect society and all its subarenas as a whole. This problem specifically applies to risk regulation. A common example can be seen in waste management regulation. In this domain of environmental politics symbolic elements could be helpful in order to co-ordinate different actors in different parts of society and emerges in various forms, tools, processes and instruments.

- **Communication of abstract scientific ideas**
  Symbolic elements in politics are very useful in the context of communication about environmental risks. Risk is a cognitive construction and political approaches to tackle risk find themselves regularly confronted with certain mental barriers. Symbolic elements of politics such as the names of certain acts and ordinances, the integration of environmental elements in governmental white papers or even the constitution of a state, as well as education programmes target on these issues. An example of this symbolic character of legislation is the dual waste management system introduced in Germany in 1992 which is quite an expansive and in many aspects contestable piece of legislation (Schink, 2000). But there can be little doubt that the extensive inclusion of consumers in separating waste at home has fundamentally changed the attitude of people towards the environmental impact of their consumer behaviour. The complex process of cleaning and separating used packaging helped the consumer visualize the complexity of waste treatment and recycling. Though many regulations in the end have rather contestable material benefits in terms of waste minimization recent legislation has significantly shaped the awareness of environmental issues on behalf of consumers and companies in Europe.

The role of symbolic politics however remains ambivalent. On the one hand it represents a severe problem of environmental politics especially in the regulation of environmental risks. One of the most problematic impacts is the fact, that the addressees of symbolic legislation eventually will become rather cynical, critical and defiant about environmental legislation in general. In this sense, symbolic use of politics is one of the manifestations of Beck’s ‘organized irresponsibility’, and thus, has to be regarded as a failure of environmental politics. Typical examples are acts that are already designed in such a way that they never could be implemented as intended, or legislation that blocks efficient regulation. There are even cases where governmental regulation implicitly accepts its later non-implementation (Lübbe-Wolff, 2000). A good deal of legislation on the level of European Union directives has to be seen in this context as in many cases its implementation down to the national or even regional level waters down nearly all of its original content (Karl and Ranné, 1999; Karl, 2000).
On the other hand, symbolic politics is a necessity in a number of cases. This includes not only communicative aspects of environmental politics but also all those issues, which need to be addressed despite current deficits in fully understanding them. This is specifically the case in governmental programmes, expression of intention, introduction of language, to name a few (Prittwitz, 2000). However, symbolic politics in essence does not help actually to improve the state of the environment or reduce the level of risks to which society is exposed. It might well affect behaviour, but as it virtually disguises the absence of any real alterations, it gives rise to some concern about the actual functioning of subpolitics (c.f. Bennet, 1999).

4. Risk society and globalization: towards a new agenda?

Looking superficially over the significant social and political debates of the last two decades one could easily get the impression, that while environmental issues and risk conflicts dominated large parts of the discourse in the 1980s and early 1990s, the debate now focuses mostly on the buzzword of ‘globalization’. And for quite some time it seemed as if there was not only a change in wording but even more in the whole orientation and substance of the discourse: no longer on the agenda was the pessimistic, even, as some argued, ‘angst’ driven (Scott, 2000), risk focused orientation towards environmental degradation and limits to progress and growth. Globalization rather offers a stunning new perspective on a world without boundaries, full of opportunities and chances for a unifying global community of interconnected actors turning the global village into a safer place beyond nuclear threats and cold war animosities. Globalization seems to be a far more positive agenda than the old debates on risk and environmental protection. It is only a fairly recent development that awareness of the threats and problems of globalization has gained more ground with the public, let alone academic debate on globalization (see Sassen, 1998; Rugman, 2000, as two extremes of a spectrum).

It is one of Beck’s most significant achievements that he not only saw the close link between environmental risk and globalization already in his initial work on risk society (Beck, 1986, p. 48–66) but that he also continued to show the significant threats imposed on societies by globalization. He is undoubtedly one of the leading voices – in his own authored work (Beck, 1997d, 1998c, 1999a, 2000) as well as in his large editorial work (Beck, 1998b, 1998a) – among the early critics of globalization and has maintained this position ever since. Analysing his (more recent) work on globalization it becomes quite evident that the global character of environmental risk provides a close link to his work on risk society (Beck, 1999b, p. 19–47), though one has to admit that his writing, especially on globalization, suffers from a rather essayistic and gloomy style. The vagueness of certain ideas (again cf. Dingwall, 1999) and the occasional hyperbole in usage of terms and concepts (Fischer, 1998) however does not diminish the value of the underlying ideas, as explored a little deeper in the following.

This link between risk and globalization does not only exist on the empirical level. As most environmental risks have a global dimension, far more important are the links on the theoretical level: the theoretical foundations of the risk society thesis, lying in the concept of reflexive modernity, provide an explanatory framework for the threats of globalization as well. The conceptual basis for the analysis of political consequences of globalization is identical to the one of the initial risk society thesis. In the following we will have a closer look at the links between ‘risk’ and ‘globalization’.
4.1. THE GLOBAL CHARACTER OF ENVIRONMENTAL RISKS: FROM RISK SOCIETY TO ‘WORLD RISK SOCIETY’

The types of environmental risks which are the basis of the risk society thesis are global risks in the sense that they originate, spread and work regardless of national contexts (Beisheim et al., 1999 provide brilliant empirical data). Their impact is not confined to the boundaries of the nation state as the early textbook example of Chernobyl quite significantly showed. Furthermore, responsibility for these risks cannot be assigned to a single territorial origin. The most stunning example could be seen in the BSE scandal that for a long time was believed to be foremost a British problem but has recently shown up in nearly all countries of the European Union. Other examples, e.g. global warming or risks of genetically manipulated food shed light on this fact as well (Levidov and Carr, 2000). At the same time these examples show another feature of the global character of environmental risk: their regulation cannot be achieved by single national governments any more. Global environmental risks – and in fact they all in essence are global – are not an issue to be tackled by governments of isolated, sovereign nation states any more (Haas, 2000).

In analysing the debate on risk society from this perspective two important contributions to the academic debate on globalization can be identified. First, they add some more precision to the numerous attempts to define the phenomenon of globalization. Rather than assuming globalization as the worldwide extension in the trade of goods, services and capital – still the mainstream view in business and economics (good examples are the papers in Prakash and Hart, 2000) – a risk oriented perspective sheds specific light on globalization as a sociopolitical rather than an economic phenomenon (Beck, 1997d, the English translation is Beck, 1999a). Globalization is a side-effect of modernization, and thus, another manifestation of reflexive modernity: As a consequence of technological modernization and economic (neo-) liberalization national borders have lost their relevance for social actors. Whereas societies lived within the ‘container’ (Beck, 1998c, p. 49–55) of the nation state during ‘classical’ modernity, this congruence of society and nation no longer exists: transport and communication technologies together with a liberalized world trade regime abolish – or at least diminish – the significance of national borders. Social interaction – and with this also economic interaction – is no longer confined to national territorial entities. In essence, globalization consists of this deterritorialization of social action (Scholte, 2000), and – as argued above – this deterritorialization can also brilliantly be witnessed in the area of environmental risk (Goldblatt, 1997).

This observation, however, leads to the second contribution of Beck’s recent work. Building on the idea that traditional governmental politics has failed to cope with the risks of the risk society, opening up the arena of subpolitics, he identifies the same development being ensued and even boosted by globalization (Beck, 1997b, 1999b, p. 91–108): as social interaction is to a lessening degree limited by national borders, it also escapes the scope of control by traditional political actors whose influence is still confined to territorial, national boundaries. National governments control the territory of the nation state, but as soon as globalization transforms society into something that ‘happens’ beyond these national borders, governmental control over society shrinks gradually as well. From this perspective, ‘risk’ and ‘globalization’ equally are side-effects of modernization, leading to similar results for political governance in society. This leads to a more detailed analysis of the reshaped landscape of political actors with regard to globalization.
4.2. RISK SOCIETY AND THE ‘POST-WESTPHALIAN’ AGE

Beck’s recent work on globalization has been carried out in close contact with various, foremost British political scientists (McGrew, 1997a; 1997b; Held and McGrew, 2000). One of them, Anthony McGrew, has described the consequences of globalization as the transition of the global world order into what he calls ‘the Post-Westphalian age’. He argues that since the Westphalian peace treaties in the 17th century the identity of nation, society and state has been the leading pattern of political organization of the ‘civilized’ world into ‘nation-states’. Recently, as globalization erodes and weakens the very borders of these nation-states, this order is fundamentally challenged (see Fig. 2). The notion of ‘society’ is no longer an entity confined to national borders rather it is a more or less world wide community conceptualized by authors like Luhmann as a ‘world society’ (‘Weltgesellschaft’; Luhmann, 1998). This entails certain consequences for the political control of society (or its – however ill-defined – global equivalent). Governments of states no longer possess the monopoly of political power they had in the ‘Westphalian’ setting since society and social interaction spreads out into a sphere which transcends the territorial boundaries of the state and thus escapes the scope of national governments. Political power beyond the nation state is rather broadly distributed and loosely shared: Partly national governments are found to be setting up systems of transnational negotiations – the European Union, the United Nations, or the North American Free Trade Agreement (NAFTA) show the institutional variety, breadth and depth of the emerging outcomes – but also a large number of NGO and last, but by no means least, multinational enterprises (MNE). It is now the nation state that is increasingly the subject of those supranational agreements and regulations. Regulation on this level actually is increasing as the numerous supranational treaties and agreements show. Most significantly this applies to regulation targeted at environmental protection and environmental risk (Wiener, 1999). Looking at individual nation states, there have been strong efforts of

<table>
<thead>
<tr>
<th></th>
<th>Westphalian setting</th>
<th>Post-westphalian setting</th>
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<tr>
<td><strong>Society</strong></td>
<td>Nation</td>
<td>World society ('Weltgesellschaft', Luhmann)</td>
</tr>
<tr>
<td><strong>Holder of political power</strong></td>
<td>Monopoly by national governments</td>
<td>Polopoly of governmental and non-governmental actors</td>
</tr>
<tr>
<td><strong>Arena of governmental politics</strong></td>
<td>Nation state</td>
<td>Systems of transnational negotiation</td>
</tr>
<tr>
<td><strong>Addressee of regulation</strong></td>
<td>Social actors (companies, consumers)</td>
<td>Nation state</td>
</tr>
<tr>
<td><strong>Level of regulation</strong></td>
<td>Decreasing (reflexive regulation)</td>
<td>Increasing by supra-national regulation</td>
</tr>
<tr>
<td><strong>Democratic control of political power</strong></td>
<td>High</td>
<td>Low</td>
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Fig. 2. Globalization and the changing role of governments.
deregulation and by this, efforts to decrease the level of regulation on the national level (Gouldson and Murphy, 1998). The reason for this partly lies in the obstacles to efficient governmental risk management with the consequence of subpolitical action as described above, partly it lies in the general trend towards less intervening forms of environmental regulation in many Western countries starting at the begin of the eighties.

The decreasing power and relevance of national governments in the context of deterritorialization of social, political and economic action leads to a central, yet strongly underestimated problem of globalization: the principles of democratic legitimacy of political power are eroded by globalization. As soon as political actors like NGO, MNE or supranational bodies act beyond the scope of the nation state, where in most industrialized countries political power is controlled by the electorate, these actors are no longer directly accountable to those over whom they exert their power (Thompson, 1997; Viggiani, 1999).

Analysing the results of globalization from this perspective, it becomes clear that ‘globalization’ and ‘risk’ are by no means separated issues which followed each other on the academic, political and social agenda during the last two decades. Globalization as well as risk are both consequences, ‘side-effects’ of modernization. Globalization results from technological innovation and political as well as economic liberalization, risk is a side-effect of industrial modernization and rationalization. Consequently, both are a result of the same process and lead to the same problem of reflexive modernization: in coping with risk as well as with globalization societies try to tackle the self-imposed consequences of their modernized collective lifestyle. This development leads to a similar institutional failure: The same inappropriate set-up of political actors with respect to environmental risk can be identified when looking at the way modern societies cope with globalization. As discussed above the ‘organized irresponsibility’ in political risk management derived from the nature and characteristics of risk itself. Risk, if one might say so, erodes political power of national governments from within. Globalization, on the other hand, weakens governments from the outside by simply widening the scope of social action beyond their reach. The result however is the same: traditional political actors fail to tackle the issues on the agenda in the age of reflexive modernity. Therefore, the political answer to these developments is quite similar. The phenomenon of subpolitics emerges in both contexts.

5. Risk society in a global context: consequences for the corporate world

Even though the consequences of globalization do not differ in principle from other aspects of reflexive modernization, such as risk, they add a new dimension to the debate. If subpolitics is the fundamental consequence and gateway to institutional innovation in the risk society, globalization results in what might be called ‘global subpolitics’. As such, globalization adds a new dimension to subpolitics rather than leading to an entirely new political scenario.

This Special Issue assesses the value and career of the risk society thesis from a corporate perspective. This is by no means co-incidental. Already in the simple risk society setting industry as the main source but also as the literal ‘winner’ (in terms of profits) of risk has been the focus of scrutiny. Moreover, in an increasingly global political world order, again corporations – most notably MNE – play a crucial role (Beck, 1997d, p. 218–58). They are, maybe next to NGO, the only organizations with efficient and powerful
transnational governance structures (Cohen and Boyd, 2000). Given the global structure of their organization and their direct power over employment and consumption, corporate actors seem to emerge as the main contenders for political power in the age of globalization (see Hertz, 2001, as an extreme position). Following the argument in the preceding section it seems to be specifically in the relation between companies and national governments that the most significant changes take place in the course of globalization (see Fig. 3).

Globalization reverses the roles of government and corporations: in the Westphalian order, states were the regulators of economic actors, and companies were the addressees of that regulation. In the Post-Westphalian setting these relationships are reversed. Nation states become addressees of all kinds of transnational regulation – a development which is especially visible in the area of regulating global environmental risks such as global warming (Schwarze, 2001). Companies, on the other hand, seem to gain a specific increase in (political) power through globalization. The main reason for this is not predominantly that they find themselves in a position where they could wilfully discard or violate national regulation. It is rather based on a phenomenon which Beck has defined as the corporate power of transnational withdrawal (‘transnationale Entzugsmacht’, Beck, 1998c, p. 19–25). This describes the fact, that globalization facilitates significantly international relocation of businesses. Consequently they can quite easily threaten governments to move jobs and tax payments to another country if certain disadvantageous pieces of regulation – such as tightening environmental standards – are enforced. The scope of action of corporations transcends the scope of action of national governments, but as national governments depend on corporations in terms of employment and tax payments this situation puts companies in a position of relative power. Another source of political power of companies, however, is based on the fact that many MNE have considerable economic power of their own which very often transcends the economic power of nation states. This certainly applies to less developed countries, but even with the GNP of a country like Denmark

<table>
<thead>
<tr>
<th>Role of the state</th>
<th>Role of the company</th>
<th>Relation between company and regulating body</th>
<th>Examples</th>
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<tbody>
<tr>
<td>Regulator</td>
<td>Addressee of regulation</td>
<td>Symbolic politics</td>
<td>National environmental acts</td>
</tr>
<tr>
<td>Imperative regulation</td>
<td>Regulated self-regulation</td>
<td>Reflexive regulation</td>
<td>Private, self-controlled regulation</td>
</tr>
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<td></td>
<td>Private: Kyoto-Protocol, UN-Code on Pesticides</td>
<td></td>
<td>Private: ISO 14000, Responsible Care Program</td>
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Fig. 3. Changing roles for corporations and governments in the Post-Westphalian context.
being smaller than the annual turnover of a company like General Motors, the sheer financial potential of MNE is another source of power as well.

This claim of relative corporate power, however, is another example for Beck’s way of arguing on a rather broad and conceptual level with only occasional anecdotal references to real cases. Consequently, it is no wonder that these arguments, often fiercely endorsed by globalization critics (cf. Korten, 1995, Hertz, 2001) meet with scepticism by scholars from a business background (Rugman, 2000). The ‘race-to-the-bottom’ thesis has been a contested issue in the context of interstate-relations in the US already for quite some time (Revesz, 1992) and there is a growing number of studies which has in vain tried to prove similar developments on the international level (see recently the study by Wheeler, 2001). And though there clearly is a link between low environmental standards in the developing world and international trade (Porter, 1999) the alleged race-to-the-bottom is still insufficiently researched. This exposes the explorative character of many of Beck’s propositions: rather than refuting them, as some of his critics would like to, they could serve as plausible hypotheses still waiting for specific empirical testing by more in-depth research.

Figure 3 shows some of the consequences of this shift between governmental and corporate power in the area of environmental regulation. Obviously, subpolitics is a result of globalization as much as it was a result of institutional failure within the framework of risk society. Consequently, the change from a ‘Westphalian’ context to the ‘Post-Westphalian’ setting is not a sudden discrete intersection but an ongoing process depending on the extent to which a certain area of politics is exposed to deterritorialization.

Imperative regulation still remains an option for certain areas of environmental politics (Wiener, 1999). The ability of governments to use this traditional element of politics is rather powerful in areas where the regulated companies do not dispose of strong internationalization options (Rugman and Verbeke, 2000). Furthermore, the increase in supranational regulation still results in a considerable increase in imperative regulation. Governments are responsible for the national implementation of, for instance, the Kyoto Protocol or certain EU-Directives. Since these treaties apply to most relevant international member states of the respective treaty system of transnational negotiation, the power of transnational withdrawal for companies is rather limited here as well. In this context of national governmental environmental regulation, symbolic uses of politics of course play an important role. Especially in the implementation of EU Directives many symbolic elements can be identified (Karl, 2000). The general trend however points towards a strong increase in various tools of reflexive regulation. Creativity in inventing new concepts and definitions of various authors in law and politics seems to be quite unlimited and the figure shows some of the options discussed (Gouldson and Murphy, 1998; Orts and Deketelaere, 2001; Ten Brink, 2002). Especially during the process of defining EU Directives the growing tendency to include the addressees of regulation already into the ‘regulatory game’ that leads to the formulation of imperative national regulation is observed. This process of co-operative regulation is strongly visible in some of the recent directives on various fields of waste management. Sometimes it even goes to the extreme of assigning to the government the role of a ‘referee’ in the regulatory ‘game’, that sets and enforces the rules of lawmaking rather than interfering with concrete results of the regulatory process. This phenomenon is alluded to by the concept of ‘regulated self-regulation’. At the very end of the regulatory spectrum are efforts, mostly by corporate actors, to self-controlled regulation. The Responsible-Care Programme of
the Chemical Industry is a striking example for this as well as the rapid spread of the
ISO 14000 norms which regulate corporate environmental performance on a private,
self-committed basis (King and Lenox, 2000; Ianuzzi, 2001).

The trend towards subpolitical involvement of corporate actors has already been
described and conceptualized in the context of risk society. Globalization obviously
boosts this trend in the same direction (see again Ten Brink, 2002). The lack of binding
regulation for companies once their activities transcend the borders of nation states will
increase the amount of self-regulation and code-of-conducts during the next years. A
dominant role here can be identified for the ISO 14000 norms which already today
count among the most important instruments of industrial self-regulation in environ-
mental issues (Corbett and Kirsch, 2001). However, globalization broadens the agenda
significantly so that there is also a clear trend towards corporate codes in the area
of corporate social responsibility. Many of the most urgent issues for companies, for
instance, in third world countries do not simply focus around the environment but rather
include social and human rights issues, such as child labour and working conditions. Most
recently SA8000, AA1100 and other standards are in the process of being implemented
to tackle these issues (Scherer and Smid, 2000).

It might be wondered though if Beck would be fully content with those specific forms
of subpolitics, as they highlight some of the above cited critical remarks on self-regulation
and voluntary moves by industry. The general problem with these approaches lies in
the fact that they only certify the existence of certain procedures – in the case of EMAS or
ISO 14000 this would be an environmental management system – but they make absolutely
no statement about the actual outcome and environmental performance of these companies.
Thus at least at the present stage of the development in environmental (sub-)politics
there is definitely still a need for a strong regulator to set the targets for the ensued
process (Parto, 1999; Stenzel, 1999). Industrial self-regulation, in many aspects, still
reflects more a corporate ‘hijacking’ of the green agenda (Welford, 1997) rather than a
step towards factual environmental improvement. On an international level, most notably
in the developing world, this process is even taken a step further where corporations
profit from a weak institutional framework by capturing the regulatory processes. As
recent studies suggest (cf. Hellman et al., 2000; Cabugueira, 2002) this is a particular
problem in economies in transition and the state of affairs in this context does not suggest
a constructive alternative in the form of subpolitics but a rather bleak reality which
makes some of Beck’s suggestions appear more as a Utopia (Levitas, 2000).

This leads finally to the question of corporate legitimacy and accountability which the
globalization process brings back on the public agenda. Whereas national governments
have to face elections on a regular basis, and thus face at least some control by their
electorate, the increasingly powerful corporate actors are only accountable to their
shareholders. The growing tension around this problem gets increasingly visible in the
context of recent protests against globalization. Stakeholders of companies, most notably
consumers and employees, demand control over the very institutions which shape their
living conditions and determine their choices (Viggiani, 1999). Globalization therefore
leads to an increasing demand for democratically legitimated institutional control over
corporations. It is this agenda which corporations will have to face and tackle during
the next decades. This agenda, however, is not entirely new: it started well back in the
1970s in the context of environmental issues, and from this perspective, the risk society
thesis is still highly contemporary albeit with new issues and a broadened range of topics.
The lessons to be learned from Beck’s work published more than 15 years back are still topical and highly relevant, and even more so from a corporate perspective: since companies are not only major risk ‘producers’, but in the age of globalization, they increasingly count among the most powerful economic and political actors.

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