SYMBOLIC POLITICS IN ENVIRONMENTAL REGULATION: CORPORATE STRATEGIC RESPONSES

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Though not entirely new in political science in general, the concept of symbolic politics (SP) currently meets a vivid reception in law and economics. Yet little attention has been paid to SP from a business perspective. Elements of SP are found in nearly all fields of environmental legislation, and the paper will focus on those empirical examples that have a particular effect on markets, the competitive situation of businesses and corporate strategies in general. The consequences of SP for companies are analysed from two different perspectives. First, business will be seen as an addressee of SP. Specific corporate consequences and reactions are discussed. Second, corporations can be regarded as users of SP, as they assume increasingly a role as political actors themselves. This results from certain developments in environmental regulation as well as from the fact that globalization increasingly weakens national governments and their political power, while at the same time corporate actors assume more influence and responsibility. Copyright © 2003 John Wiley & Sons, Ltd and ERP Environment.

WHAT IS SYMBOLIC POLITICS?

Environmental regulation has undergone some significant changes throughout the last decade of the 20th century. 'Deregulation', 'reflexive regulation', 'privatisation', 'proceduralization' (for details see Crane and Matten, in press, pp 387–434), or even 'sub-politics' (Beck, 1997) have been concepts under which these trends have been discussed. Furthermore, literature in management science, economics, law, and political sciences has analyzed a wide range of consequences for business activities as well as for of industry's changing role in the regulatory process in general (see the various papers in a book by Ten Brink, 2002).

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One aspect of the more recent debate focuses on the symbolic use of governmental politics in environmental regulation. Though not entirely new in political sciences in general (Edelman, 1964), the concept of symbolic politics (or the symbolic uses of politics, in the following SP) currently meets a new reception in law and economics, while yet little attention has been paid to SP from a business perspective. The renaissance of the concept is particularly strong in Germany (Hansjürgens and Lübbe-Wolff, 2000), where a number of rather harsh and restrictive regulatory efforts in the early 1990s have put environmental politics at a stage which currently is widely marked by SP. However, elements of SP are found in nearly all fields of environmental legislation as well as in most other European countries (Karl, 2000).

SP can be defined (Hansjürgens, 2000, p. 147) as a political 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 a signalling effect or
- are designed in such a way that these goals and measures should or could not be realized and implemented in the same way as they are announced.

It appears to be important, however, to distinguish SP from the general problem that legislative works are characterized by a gap between the regulatory idea and effective implementation of this idea. SP as a new phenomenon is characterized by the fact that the gap between codification and implementation is already known and tolerated, if not deliberately intended. Consequently, SP occurs basically in two different forms. First, it can be regarded as a tolerated or even calculated failure of politics, as regulation for some reason does not reach its final goal. Second, SP might be designed as a tool to initiate processes in society by announcing certain intentions which government is not willing or able to fulfil. In the discussed field of environmental politics, several efforts of industrial self-regulation in Europe have been initiated by governmental acts whose implementation was made superfluous due to industry's actions to anticipate the announced measures. In this latter sense, some authors (Jacob and Jänicke, 1998) speak about 'symbolic regulation' in a context where governments issue regulation that codifies *ex post* already existing practices within industry.

A CASE STUDY ON SYMBOLIC POLITICS

In the following we will discuss a typical example of SP in the context of environmental legislation. In 1996, the then new German waste management act with the presumptuous title 'Closed Substance Cycle and Waste Management Act'[1] (in the following CSCWMA) was enforced by the Federal Government. In many aspects it was hailed as a very innovative piece of legislation (Matten, 1996), as it tried to implement quite radical changes towards a sustainable German waste management regime. The framers of the act had in mind to get rid of the very notion of 'waste' itself and instead to conceptualize all undesired outputs of production and consumption processes as raw material for other, new production or consumption processes. By this, the act was intended to be a straightforward implementation of the sustainable development concept as put forward four years ago during the Rio Summit: rather than using and disposing of resources, which then would no longer be available for future generations, the act aims at a circular economy (Pearce and Barbier, 2000), which is built on an constant level of circulating resources and sees the economy just as an element of a wider circular

[1] German: Kreislaufwirtschafts- und Abfallgesetz (KrW-/AbfG).

flow of materials from 'nature' through the economy back into 'nature'.

The symbolic nature of this act could quite easily been exemplified by having a closer look at only one of the more radical elements of the act. In Articles 22–26, the act codifies 'product responsibility' for all 'parties who develop, manufacture, process, and treat or sell products'. This concept shifts the responsibility for waste management from public bodies towards industry and could be regarded as one of the most radical implementations of the polluter-pays principle and the idea of product stewardship. In Article 24, it is explained how the enforcement of this principle will be legally constructed:

'(1) For definition of requirements pursuant to Article 22, the *Federal Government is authorised*, after hearing the parties concerned (Article 60), *to mandate, by statutory ordinance and with the consent of the Bundesrat* [second chamber of the German parliament, DM], *that manufacturers or distributors*
  1. may sell or put into circulation certain products only after *providing a possibility for returning the pertinent goods*,
  2. *shall accept certain products when returned* and shall provide for return, by suitable measures, especially by means of systems for accepting returned goods, or by levying a deposit,
  3. *must accept certain products at the place where they are sold or where they occur*, [. . .]' [italics by me, DM].

Two things are worth mentioning in this context. On the one hand, if one looks at the scope of the act (1)–(3) from an industry perspective, the act causes companies virtually to install waste management facilities for all their products after use, to provide an entire retrologistics system and in some cases even to collect goods where they are abandoned by their former users. On the other hand, this article states the pivotal role of statutory ordinances for the actual application of this act: however innovative and, from an industry perspective, costly all these new requirements might be, the law will be just an extensive declaration of government's intentions as long as they are not followed up by statutory ordinances which codify concretely the elements and scope of product responsibility for a certain branch, product family or substance group. In this way, the act has quite a substantial symbolic content in that it prescribes a certain regulatory intent of the government without at the same time transforming this intent into concrete and enforceable legal requirements. The act describes an intention of the government without implementing it in the same way.

The symbolic character of the codification of 'product responsibility' becomes even more evident if one asks the question – from today's perspective – of how far these crucial ordinances have been implemented (Schink, 2000). It turns out that apart from some minor ordinances, which pertain to legal technicalities, up to the year 2000 only three of those ordinances had finally been adopted: the end-of-life vehicle ordinance, the packaging ordinance and the battery ordinance. A detailed analysis of these ordinances endorses the impression of the strong symbolic character of the CSCWMA: as for the end-of-life vehicle directive, the ordinance is full of vague formulations, there is no regulation on the design-to-recycle aspects (much apprehended by industry), there is no clear definition of pollutants and concrete accepted levels of toxicity as well as a very limited timeframe and scope for the legislation. The other directives effectually represent even a liberalization of substantial parts of the hitherto existing regulatory framework. As a result, the high claims and the revolutionary approach that the Federal Government proclaimed when passing the CSCWMA prove to have only seen rudimentary implementation by the follow-up process of the act.

REASONS FOR THE USE OF SYMBOLIC POLITICS IN ENVIRONMENTAL LEGISLATION

Why do governments use SP? In the light of our case example, several answers seem to be obvious: the CSCWMA was an implementation of an EU Directive on Waste (91/156/EEC), and one might conclude that the German government was forced to ratify this into national law rather than actually having the intention to do so. Furthermore, there have been quite widespread interpretations of the act as an attempt by the government to initiate voluntary initiatives by industry rather than forcing them to do so by law. Various industries in the aftermath of the act in fact became active in quite significant initiatives to set up take-back schemes and voluntary agreements to assume their product responsibility. Others have presumed that the act, which was only adopted at the very end of the 12th parliamentary session in Germany, was basically an effort (among other things) of the Christian Democratic government to face the next election (cf. Matten, 1996).

Looking at a wider array of SP, one can identify a number of reasons for the use of SP in environmental politics (Steinberg, 2000). The paper will look at these from two different angles. A first group of reasons would see SP rather as a problematic development in governmental action.

(i) *'Disguise' of true intentions.* On the one hand, environmental politics is often abused for political goals other than the announced environmental objectives. A current example is certain efforts of green taxation in Britain and Germany by which governments try to tackle the risk of global warming. An analysis of 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 fuels but that it serves as an easy-to-communicate way of balancing public budgets. On the other hand, symbolic environmental politics often serves as tool to demonstrate a hands-on approach by government to those issues that are far too complicated to be tackled by governmental bodies alone. A good example is the German ordinance on summer smog, which is a huge and complicated piece of legislation – with virtually no effect on the actual reduction of ozone concentration in the air at the critical times.

(ii) *Uncertainty.* SP often focuses on issues not yet fully explained by scientific evidence. Nevertheless, regulators feel the public pressure to regulate the issues. Numerous current examples are to be found in continental Europe, where national as well as EU administrative bodies hastily (over-)reacted to cases of BSE in 2000 and 2001. The ban on certain foods for animals or the ban on imports of certain meats for humans reflects this situation: while there is still a considerable lack of knowledge about the reasons for BSE and the ways in which it could possibly infect humans governments have to act, or better, re-act, to a public that sees basic elements of their everyday life under threat.

(iii) *Cost reduction.* The BSE example 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 public consent of their electorate.

Whereas the aspects mentioned so far shed a rather critical light on SP, there are also some more constructive ends to it.

(i) *Integration and social orientation by symbols.* 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 sub-arenas 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 SP is quite helpful and emerges in various forms, tools, processes and instruments.

(ii) *Communication of abstract scientific concepts.* Symbolic elements in politics are very useful in the context of communication about environmental risks. Risk is a psychological construction and political approaches to tackle risk find themselves regularly confronted with certain mental barriers. Symbolic elements of politics such as the use and creation of language ('regulatory newspeak'), the integration of environmental elements in government acts or even – as in Germany – the constitution, education programmes and other instruments target theses issues. The dual waste management system introduced in Germany in 1992 – an act previous to CSCWMA – is quite an expansive and in many aspects contestable piece of legislation, 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 consumer behaviour. Though many regulations in the end have rather contestable material benefits in terms of waste minimization, recent legislation has significantly shaped the relevance of environmental issues for consumers and companies in Europe.

AN EXPLANATORY FRAMEWORK FOR SYMBOLIC POLITICS IN ENVIRONMENTAL POLITICS

As described above, governments might find a variety of reasons to utilize symbolic elements in their regulatory approach to environmental issues. This leads to the question why – if after all these symbolic elements are not 'real' – governments still find it effective to use them as an instrument of environmental politics. We could answer this question on various levels. First, we could interpret the necessity of SP as a symptom of institutional failure in modern societies. As Beck, Giddens and others have pointed out, environmental degradation is a consequence of modernization but modern societies do not provide the appropriate institutional fabric to tackle these self-imposed problems (Beck *et al.*, 2000). Consequently, the present age of 'reflexive modernization', the age of coping with self-imposed threats to the ecological environment, generates new requirements for environmental politics, which ultimately aim at a deep and thorough reform of the institutional set-up of modern societies (Matten, in press). In this paper however we will take this institutional fabric of modern societies as a given and rather look at how corporate actors can strategically respond to regulators utilizing symbolic elements in the legislative framework for business.

The theoretical framework for this analysis is a combination of the stakeholder approach with the approaches of new institutional economics, especially the transaction cost approach and the principal-agent approach (Matten and Wagner, 1999).

According to the interest group theory of government (Mitchell, 1990; Stigler, 1971), governments have to serve different groups, which we would call stakeholders, who are defined by the fact that they are somehow affected by governmental actions and/or whose rights are touched upon by governmental interference (principle of corporate effect, principle of corporate rights; see Evan and Freeman, 1993). For our analysis we can confine ourselves to business on the one hand and the general electorate on the other hand. The relation between government and the single stakeholder can be interpreted as a transaction. With regard to the general electorate this transaction consists of two elements: the government 'delivers' political

action – in our case this would be certain environmental regulations – that protects the interests and rights of the general electorate, which in return provides the government with the necessary (democratic) consent. Transactions are defined as an exchange of property rights within an institutional context; in our case, the transaction in this theoretical sense consists of the interrelated exchange of legislation (granting – or at least protecting – property rights, such as health, property in the narrow sense, recreational functions of nature etc) on the one side and consent on the other (transferring certain property rights for a fixed period to a government).

The other important stakeholder in this context is business. The transaction relation between government and business is characterized by a different approach: governments provide business with a regulatory framework, which is favourable to their interests. This, in our context, would normally imply environmental regulation that does not inflate their cost structure or otherwise threaten their competitive position in domestic and international markets. Business, on the other side of the equation, provides government with tax payments, either directly through taxes on corporate gains or indirectly, by generating other taxes and, most importantly, providing the basis for income taxation. The latter aspect is closely related to the fact that corporations nowadays assume practically the main responsibility for employment, which is probably even beyond taxation the most important function of business for governments.[2]

In the terms of this theoretical model the basic task of governments is to maintain the

transaction relations to all stakeholders and it is exactly this simultaneous interaction with all stakeholders that creates the necessity for SP in modern societies. If we focus on those two most important stakeholders in the context of this analysis, government has to issue regulation that on the one hand satisfies the demands of their general electorate but at the same time does not threaten the relationship to business. Most notably, governments try to avoid changes in the political framework that might result, for instance, in relocation decisions by industry with the consequence of job losses. From this angle, the *contradictory character of SP* appears to be nothing more than the rational reaction of governments to *contradictory demands of their stakeholders* (Hansjürgens, 2000, p. 145).

BUSINESS AND SYMBOLIC POLITICS – A DOUBLE ROLE

How should business react to this phenomenon of SP? There are two sides to the answer to this question. First, business can be regarded as addressee of SP following directly from the stakeholder view of government, which is the trivial side of the problem. More complex though is a second aspect. The more government utilizes SP, the greater the number of 'real issues' that remain unsolved. In nearly all of the examples cited above, SP has led to a situation where business had to tackle – to a greater or lesser extent – the unregulated issues itself. The example of the CSCWMA even shows that this in many cases of SP is the very intention of the government: SP is not simply utilized in order to satisfy the general electorate while at the same time allowing industry to carry on with business as usual; SP rather serves as tool for government to encourage various elements of self-regulation. In fact, most other governmental initiatives to encourage industrial self-regulation of environmental issues have this strongly symbolic element: governments signal clearly that they are aware

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[2] There are still other elements in the relation between government and those two relevant stakeholder constituencies, but these are the most important ones in this context. So, for instance, the general electorate pays taxes, but this is not something that could be withdrawn at a certain point if government issues regulation they dislike (which is very well a constant threat as far as democratic consent in elections is concerned), and, on the other side, business leaders also vote and give government their consent. However, this consent does not play a pivotal role since this social group normally is only a minority.

of the issues and that they want to have a solution to it – but at the same time they hand over the concrete realization and breakdown of these issues to private actors.[3] In the case of the CSCWMA, this law in fact encouraged and initiated several private initiatives to install company- or industry-wide take-back schemes and various voluntary agreements across industries. However, as soon as private actors assume the role of a political actor in environmental (self-) regulation, SP becomes an important tool within the range of their own instruments of environmental politics, as we will discuss in more detail below.

The strategies of corporations are consequently aligned to exactly these two aspects of SP. Figure 1 depicts both roles of companies towards SP as the two dimensions of a strategy matrix. In the following two sections we will discuss the concepts behind those two dimensions, before analysing the corresponding strategy options in the last part of the paper.

Business as Addressee of Symbolic Politics

The simple question one might ask with regard to SP is why the general electorate is 'stupid' enough not to see through the fact that a certain piece of regulation is mostly symbolic. If we analyse the role of SP from the perspective of new institutional economics we can argue that SP only works if there is an asymmetric distribution of information between the general public on the one hand and business and government on the other side. This could be described as a situation of moral hazard where one partner of the transaction is not able to control the performance of the other partner. The main reason in environmental politics is that the general 'lay-' public is not able – or only at prohibitively high costs of information search – to monitor the effective implementation of environmental laws. There are some

fields where this transparency is particularly low – where SP consequently is more common – and there are other areas where transparency is higher. The latter areas are typically all those environmental issues that pertain to directly perceptible nuisances such as noise, smoke, smell or visible pollution of rivers or land. Less transparent areas are particularly those fields where either the environmental problem is not directly perceivable, such as various types of risk issues, or where the regulation involves complicated technical procedures and a broad variety of actors. A typical example of the latter could be the implementation of EU directives: lengthy procedures of implementation, multi-layered systems of bureaucratic enforcement and a variety of national specific exceptions from the rules have led to a situation where EU laws could be regarded as one of the vastest areas of SP (Karl, 2000). In the example of the CSCWMA, the symbolic character of the act is virtually only recognized in expert discourses, whereas the general public lacks the information to assess the actual scope of the legislation.

Business as User of Symbolic Politics

As indicated earlier, one consequence of the extensive use of SP by governments is a stronger political role for business, be it for the single company or a branch or an entire industrial sector (Gibson, 1999). Privatization of environmental regulation however requires substantial awareness on the side of industry for the symbolic elements of their measures. This symbolic element, which is generally a decisive element in the firm's environmental management system, has to be explicitly addressed and requires a corporate infrastructure, which is able to address the political issues. This is by no means self-evident: the seminal textbook case for corporate learning in assuming the role of a political actor still is the Brent Spar incident of Shell in 1995. However, there are numerous examples to be added. The crucial element seems to be that companies have to be aware of the fact that the public

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[3] It is obvious that there are still more and diverse reasons for governments utilizing self-regulation in their portfolio of various instruments of environmental politics. This paper confines itself to the aspects of self-regulation ensued by SP.
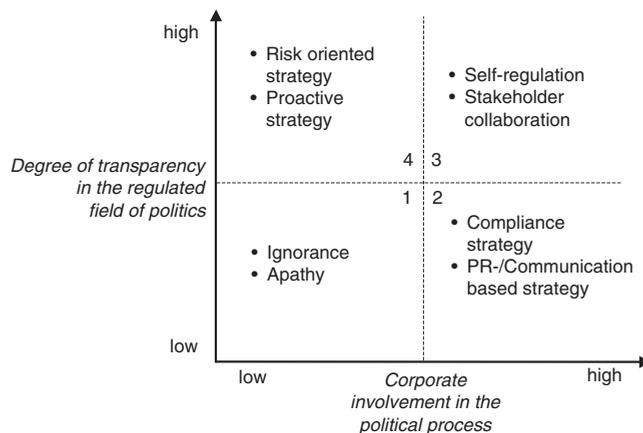
Figure 1. Corporate strategic responses to symbolic politics

assesses their actions in environmental issues with a certain normative judgement and the corporation has to know which are the public's political preferences and effectively communicate that it actually lives up to these requirements. This demands a new orientation of the public relations and/or marketing functions of the corporation: the traditional focus on customers and other direct business partners has to be broadened in order to include the variety of all those stakeholders that play a role in the public acceptance of corporate actions. Symbolic elements in corporate environmental politics then become relevant as soon as the corporation has to assume the role of a political actor.

CORPORATE STRATEGIC RESPONSES TO SYMBOLIC POLITICS

As discussed in the previous sections there are two dimensions to SP from a corporate perspective: First, corporations can be the addressees of SP. The crucial factor for this to work is the degree of transparency in the regulated field of politics. SP only works if there exists an asymmetric distribution of information between the general public on one side and governments and/or industry on the other

side in the social arena of the regulated issues. Second, corporations become the users of SP. The condition for this is that corporations are involved in the political process and that their activities are subject to public acceptance of their stakeholders. The more this is the case, the more corporations have to become aware of the fact that their environmental politics could or even should integrate this symbolic element. Given these two dimensions of the relevance of SP for corporations, the strategic responses can be described in a matrix, which is depicted in Figure 1. One could identify four different quadrants leading to four typical strategic responses to SP.

The first case (quadrant 1) is the rather trivial case where a company is active in an area of environmental issues where there is low transparency but also low involvement in the political process. Low transparency implies that governments could make quite intensive use of SP, which could result in considerable pressure on the company, but on the other hand the corporate involvement in the political process is low, which normally means that the public awareness of the corporate role in a certain environmental issue is considerably low. The cited case of EU regulation and the implementation of EU directives in national law could be regarded as an example here. Therefore, for

example, a recent study about the implementation of the EU directive on waste of electric and electronic equipment (WEEE) in Wales showed that despite the fact that this directive has become law, the enforcement process showed many typical elements of SP, with the result that the companies potentially affected by the directive were practically in a position were they could ignore or disregard the directive or where they could carry on with just the least required amount of implementation (Townsend *et al.*, 2000). The typical reason for lack of transparency combined with low public awareness of the corporate role is a complicated political implementation process, which practically hinders the announced regulation from having any substantial effect on the corporation.

The case becomes very different if we move on to a situation where the public is very much aware of the corporate role in the political process (quadrant 2). However, as the general public is not able to control whether the regulation really takes substantial shape, the best reaction of corporations is to comply with the regulation (even if it has no real positive effect on the environment) and effectively communicate this to the general public. A good example here is the summer-smog ordinance in Germany, which has a very strong symbolic nature without making a substantial difference from an environmental perspective; but at the same time ozone concentration in cities is subject to intense public scrutiny (Lübbe-Wolff, 2000). The strength of this approach usually applies to companies whose technologies are perceived as hazardous or where these technologies have effects on the environment that are not usually perceived directly by the public. Therefore, for instance, much of the very recent regulation for emission reduction for automobiles in industrialized countries in Europe and North America had strong symbolic elements, as further reductions in emissions were rather marginal (compared with the bulk of detrimental effects by automobile civilization). However, automotive companies, as

the case of Peugeot in Europe shows, adopted these norms even proactively, instrumentalizing these innovations as a way of positioning their brand as innovative, green and high tech friendly. Though not required by law as yet, the French car manufacturer introduced the particulate filter for its diesel cars in 2000, which was highly applauded by environmentalists and helped the company to gain significant environmental profile (Anon, 1999).

Moving on to quadrants 3 and 4 we find a situation where the crucial condition for governmental SP is not very well met. This enables the general public – which at the same time to varying degrees counts among the stakeholders of business – to control whether a certain legislative move by the government is only symbolic in nature. Consequently, it will be more on the side of companies to actually fulfil the demands of the general public. If the public is very strongly interested in these issues, corporations have to be very careful to fulfil the demands (quadrant 3). The above cited example of the CSCWMA in Germany is a good one. As public awareness of the corporate responsibility is high in those areas where the public has a direct contact (e.g. as consumers) to the regulated issues, corporations not only have to assume a voluntary role in the legislation of the issues, for instance by self-commitments, but they also have to develop an effective infrastructure in order to communicate their activities. Their response to governmental SP then results in a use of symbolic elements in the communication of their strategies as well. A good example is the reaction of the car industry to the CSCWMA in Germany. Not only did they set up a private take-back scheme, but they were also very successful in communicating this to the general public, with the result that the environmental image of most German car manufacturers is still very high (Orsato *et al.*, 2002).

Another important element in this area is the use of industrial metastandards and the element of auditing corporate environmental performance, which is an integral element of

these metastandards (Uzumeri, 1997). ISO 14000 is one of the most common tools of corporate environmental politics, because it signals to the general public that the company has certain precautions in place. At the same time, it has a high symbolic content as well: ISO 14000 or the European EMAS (Environmental Management and Auditing Scheme) system does not certify the actual environmental performance of the corporation but rather certifies that the corporation has an environmental management system which lives up the certified standard (Rondinelli and Vastag, 2000). Despite these facts, industrial metastandards are increasingly popular in corporate environmental politics on an international scale: if a company is certified according to ISO or EMAS the symbolic content of the certificate helps to communicate a certain message to the public about the environmental awareness and performance of the corporation – regardless of all the differences in national legislation, culture and institutions (Corbett and Kirsch, 2001).

The typical case of corporate SP in the context of quadrant 3 is corporate or industry codes of conduct. Though we would not argue against their material effects in many instances, the key target of these codes is the symbolic element. When the Responsible Care Programme of the International Council of Chemical Associations (ICCA) was launched about a decade, ago this was certainly not the only way to improve the environmental performance of the industry. However, after all the catastrophes and scandals of the late 1980s the industry was badly in need not only of actual improvements but also of regaining public acceptance by stakeholders (Tapper, 1997). Therefore, a code of conduct, a certificate, even literally a 'symbol', was necessary to communicate those steps. Furthermore, however successful the programme might have been for individual companies with regard to actual environmental improvement, the actual substantial results of the approach in comparison to direct imperative regulatory measures

remain at least questionable (King and Lenox, 2000).

If the corporate involvement in the political process is low, the situation for the company is especially delicate (quadrant 4). A good example is the case of the German and Swedish energy industry in the aftermath of their government's decisions to exit nuclear power technology. This decision, especially in Germany, is highly symbolic due to the long time span over which the exit is scheduled, without any immediate effect on the companies that run those nuclear power stations. The central problem for these companies lies in the fact that it is highly uncertain whether the public will accept such a policy, which is for everyone clearly identifiably symbolic in nature. A risk oriented strategy would be that corporations just hope that the public will accept SP and that the lifecycle of the issue will move into a phase with lower public acceptance – a strategy that seems to have worked for the energy industry in Germany so far. Research in Germany and Sweden confirms that public opinion on nuclear power has become more positive in the aftermath of the political decisions to phase out this method of electricity generation in both countries (Johnson, 1999). If however increasing public awareness is to be feared, to mount a more proactive stance might then be the right strategy. In such a situation, SP would cause companies to anticipate that the corporate involvement in the political process might rise, resulting, as it were, in a shift into quadrant 3, which then would result in an anticipatory adoption of the strategies discussed for quadrant 3.

CONCLUSIONS AND PERSPECTIVES FOR FUTURE RESEARCH

The role of SP remains ambivalent. There are straightforward applications where symbolic elements help to foster certain communicative ends. In other, certainly more controversial and interesting, cases SP leads to a mere semantic

tackling of environmental problems by the (self-)regulator. The proposed portfolio of corporate strategies therefore suggests that more contemporary forms of corporate involvement such as self-regulation or stakeholder collaboration of various sorts are not the only options. The elusive nature of many contemporary environmental problems and the growing deficiency of knowledge in many regulatory fields – from genetic engineering through global warming to electronic 'smog' from mobile phones – intimates that other, more conservative corporate responses to SP could be the appropriate option. The question of whether the delineated portfolio of strategies, including those that basically refuse to take SP seriously, represents a rather cynical solution to the problem is certainly a legitimate conjecture. The corporate approach to SP in this sense could also be regarded as a rather opportunistic reaction to governmental failure to substanitially tackle concrete environmental problems. However, with 'corporate citizens' increasingly stepping in where governments fail to protect and administer social, civil and political rights of their citizens (for details see Matten *et al.*, 2003), interesting questions about alternative roles of corporations arise, which clearly go beyond the framework proposed in this article.

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