

Why has Technical Standardization become a Tool for Environmental Policy?

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Abstract: *Why is it that, during the last decade, EU environmental policy has focused on realising technical standards? This question becomes the more interesting as technical standardization organisations do not have a history of environmental awareness, but rather of technical awareness and of being a forum in which the interests of industry dominate. One could ask: Why has EU environmental policy been put into a forum in which technical and industry interests dominate? The answer to this question is sought by inquiring into the history of the internal market. This analysis shows a more fundamental policy change: EU policy objectives cannot be realised by the EU institutions alone, but require cooperation with private institutions, and this has consequences for environmental policy.*

Keywords: Technical standardization, EU, internal market, semantic analysis, Luhmannian systems theory

1. INTRODUCTION

During the last decade, technical standardization has increasingly been the centre of attention for realising EU environmental policy objectives: Technical standardization is included in the EU's so-called *Cardiff process* (Commission of the European Communities, 2004b), which aims to integrate environmental considerations into other policy areas, and has also a central position in the EU's *integrated product policy* (IPP) as it is "*highly desirable that in the near future the idea of "environmental soundness" is also associated systematically with products meeting a European standard.*" (Italics original. Cf. (Commission of the European Communities, 2001, section 4.3.3), Furthermore, technical standardization is included in EU environmental policy via the so-called *new approach to technical harmonization and standards* (Council of Ministers, 1985), a method for removing obstacles to trade by harmonizing member states' regulations. In the new approach, so-called

essential requirements are formulated in framework directives, and subsequently interpreted and implemented in European wide harmonised technical standards, developed by European standardization organisations (ESOs). Here, environmental considerations are one of these essential requirements, alongside health, safety and consumer interests. More areas could be mentioned in which technical standardization is included in EU environmental policy, such as the Eco-management and Audit Scheme (EMAS) (European Parliament and the Council of Ministers, 2001), but the examples given suffice to make the point that technical standardization is seen as a central tool for achieving EU environmental policy objectives (for an overview, consult Commission of the European Communities (2004a) and (2004c)).

However, technical standardization organizations are historically dominated by industry (Bolenz, 1987); (Voelzkow, 1996). Although public authori-

ties have also had a role in this historical development (Krislov, 1997; Vad, 1998), the fact remains that technical standards as a rule are developed by industry for industry (hence technical standardization is in German, more precisely, often termed *überbetriebliche Normung*, i.e. standardization at a level above individual companies). More specifically, the institutionalization of environmental concerns *within* technical standardization organisations has a relatively short history of one or two decades (Statens offentliga utredningar, 1997), and environmental concerns remain relatively weak (typically advisory and voluntary rather than compulsory institutions).

Hence one may ask whether it is reasonable to expect that industry will push for the integration of environmental considerations into technical standardization? Furthermore, one may ask whether essential environmental requirements of the new approach directives will be interpreted benevolently in standardization work if not environmental interests balance industry interests? Judging from reports written by environmentalists participating in technical standardization, the answer to the above two questions is “no” (Danmarks Naturfredningsforening, 2004); (ECOS, 2004; EEB, FoE, & WWF, 2000; ENDS Daily, 2000; Hey, 2000; Taschner, 1998, 1999, 2000), furthermore, experiences gained by public authorities stress that the integration of environmental concerns into technical standardization is a challenge which requires substantial work (Goldschmidt, 1995; Højbjerg, 2000).

There is, in principle, no contradiction between environmental concerns and technical standardization, however, it seems that the historical institutionalization of technical standardization provides institutional conditions for pursuing environmental interests. This is supported by an analysis of the status of environmental concerns in technical standardization. These analyzes generally recommend encompassing changes within technical standardization organisations and stronger and systematic participation of dedicated environmental interests in the standardization work if environmental concerns are to be integrated into the standardization work (Environmental Resources Management, 1997; Joerissen, 1996; Statens offentliga utredningar, 1997). Judged on the history of institutionalisation of environmental concerns within European

technical standardization, these changes are, if they are going to happen, going to take a considerable number of years.

Against this background, one may suspect that the fox guards the chickens. Why is technical standardization today seen as a central tool for achieving environmental policy objectives?

One answer, regularly found in EU policy documents, may be that environmental policy has become more ambitious. Technical standardization e.g. provides environmental policy with a broader range of instruments, and hence with a better toolbox for achieving policy objectives. However, this answer is not sufficient, as it does not tell us why technical standardization – and not some other area – has become a tool for realising specific and more ambitious EU environmental policy objectives.

In this article I argue that in order to explain why technical standardization has become so central for EU environmental policy as it seems it has, we need to inquire into the historical conditions for coupling European technical standardization with EU policy-making in general. More specifically, I will do this by analyzing the history of the EU’s image of the internal market for goods. I will analyze, historically, how the EU’s understanding of market has changed radically since the establishment of the European Economic Community in 1958, and I argue that it is these changes which make it obvious, if not necessary, for EU environmental policy to relate systematically to technical standardization. This analysis shows a more fundamental policy change: EU policy objectives cannot be realised by the EU institutions alone, but require cooperation with private institutions.

The article is structured as follows. The next section (2) provides an introduction to the second order observation approach applied in the historical analysis. Sections 3-5 present the historical analysis. Section 6 concludes the article.

2. Observing Political Market Creation

Increasingly, technical standards have become the object of social scientific inquiry. There is a rising awareness of the role of technical standards for the market, and for market creation (Egan, 2001;

Mattli & Büthe, 2003; Swann, 2000). Drawing on economic sociology (Fligstein, 2001; Swedberg, 1994), the literature acknowledges that the market is a historical construct and studies how the construction takes place/develops. However, as the literature draws on conceptualizations of markets taken from economic sociology, the literature generally neglects how the social actors studied conceptualize markets (for an exception, see Vestergaard, forthcoming). And, hence, the study of how the social actors' conceptualizations change over time are also neglected.

In the case of the EU – and probably in many other cases as well – this approach is not justified. Consulting the Treaties of the Community does not give an unambiguous definition of the common market. As concluded in one legal textbook concerning EC law, there is no “generally accepted and practically useful definition thereof. However, so much is certain: The establishment of the common market implies the removal of barriers between the existing, national markets.” (Gulmann and Hagel-Sørensen, 1995, translated by the author) More generally it may be stated that the ‘common market’ is an open concept in the sense that what constitutes the ‘common market’ cannot be taken for granted. In other words: The common market is a concept open to political definition.

Starting with this observation, the aim of this article is therefore *not* to observe markets, but to observe the EU's *image* of its market, and how it changes over time. In Niklas Luhmann's terms, we may call this the observation of observation or *second order observation* (Luhmann, 1998). This article analyzes the EU's political semantics on markets since the establishment of the European Economic Community in 1958 to the present. For the sake of clarity, I use the term *the Community* in order to capture the European Economic Community and its successors to the present day (Frankel, 2001).

Semantics imply that the object of study is communication, and in a semantic analysis it can be studied how the market is observed, stabilized and changed in recursive communication (Luhmann, 1980; Stäheli, 1998). *Political semantics* imply, in short, that the material analyzed stems from formal, political institutions of the EU and its predecessors (for a more encompassing discussion on political semantics, cf. Luhmann (1984)).

In order to study political the semantics of markets, the focus will be on the point made above: “The establishment of the common market requires the removal of barriers between the existing, national markets.” (Gulmann & Hagel-Sørensen, 1995, translated by the author). More narrowly, the focus will be on the semantics of *technical barriers to trade* in goods. Today, there is hardly any disagreement about the fact that technical barriers in the Community are a problem. However, in contrast, technical barriers to trade are not mentioned in the Treaty of Rome (1958), indicating that it is a problem, which has been identified during the history of the Community. By reconstructing the history of technical barriers to trade, the paper will also reconstruct the Community's image of the market, and I will show how changes in the image of the market also imply changes in what it is to be politics.

The focus on barriers and free movement of goods is, in other words, by no means an accidental choice. This distinction has been crucial for how the Community has imagined the common market, and the common market is crucial for the *raison d'être* of the Community. The common market is the basis of the Community, and thereby the basis for politics. This is not only stated in the Treaties, but has also been repeated again and again since the establishment of the Community (Pedersen, Esmark, Frankel, Højbjerg, and Pedersen, 2002). This foundation puts certain demands on the Community: The cooperation of the Community has to have a certain character to be able to realise the common market.

However, as argued above, the common market is also a concept open to political definition. This point has crucial consequences. It implies that the common market is both the ‘input’ into and ‘output’ of the Community. The point is that market as a concept is defined by the EU, i.e. politically (and not economically). When defined, it is also decided what conditions are to be fulfilled in order for something to qualify as ‘market’ in the EU-specific sense of the word. And again, it follows what is to be done politically, by the EU, in order to realize the market (in this EU-sense of the word). It is output in the sense that it is a political question whether something amounts to a market and input in the sense that the common market sets conditions for and demands to political cooperation. In other words: The construction of the market becomes circular.

This circularity does not only include that the market is defined politically and market determines politics; the circularity implies that the market is a political concept. Hence the circularity may be stated as a tautology: Politics is determined politically. Observing politics as a communication system – which I suggest doing in this paper – this circularity may be put as follows: “The political system is a closed, self-referential system, and whatever the system defines as politics, is thereby politics” (Luhmann, 1991, p. 171 ff, translated by the author) Furthermore, the ‘market’ has a central position in this circularity, which is also to say that the political image of the market has become central to how the political system unfolds and differentiates itself. The focus on barriers to free trade makes it possible to analyze the unfolding and differentiation of the system. One can analyze how barriers make the market absent and the member states present.

The political system observes in terms of power (Luhmann, 2000). This is not to say that wherever power may be observed, we also find politics. Rather the point is that politics is not only the exercise of power, but also that politics *observes* everything in terms of power. The basic distinction of political observations is hence a distinction between power superiority and power inferiority. Or translated to a more well-known language: Politics is about governing, and all political observation is based on a *code*, i.e. a distinction between ‘to govern’ or ‘to be governed’. Whenever a problem becomes a political problem, such as the creation of a common market, it becomes a matter of power and governing.

The code is in political science typically unfolded as a question of ‘collectively binding decisions’ (Easton, 1981 [1953]); those taking such decisions are steering (power superior), whereas those who are the subject of such decisions are power inferior. Such a definition opens up more questions than it closes, because one may ask what is to be understood by ‘a collective’, by ‘binding’ and hence also what decisions are relevant to study as political decisions. Observing political market creation, I shall analyze how the functional definition of politics as collectively binding decisions is defined more narrowly in political observation. What collective is appointed as relevant, who is seen as competent and responsible for taking political decisions, and what decisions are taken to be of political character?

It has traditionally been possible to answer these questions, however encompassing they are, with just one word, namely sovereignty (Bartelson, 1995; Walker, 1993). The sovereign nation state is observed as a unity of people, territory and power. Sovereignty delimits the inside of the nation state from what is outside it, e.g. by citizenship and exclusive right over territory. All external interference with internal matters is a violation of national sovereignty. Hence sovereignty specifies whom the collective encompasses, namely those who are citizens. How the citizens are to be governed is completely an internal question, which in western democracies typically is organized by a boundary between what is regulated by the state and what it is free to decide by citizens individually or in some form of association. Also internally, the state is sovereign, as it holds (or is supposed to hold) a monopoly over regulation, i.e. a monopoly on taking and enforcing collectively binding decisions.

Hence sovereignty is a concept which encapsulates two boundaries: Namely the external sovereignty of the nation state, which is the boundary delimiting the collective from what is outside it, and the internal sovereignty of the state, which is the boundary delimiting the sphere of public regulation from the sphere of private, free choice (Pedersen, Andersen, and Kjær, 1992; Pedersen, Andersen, Kjær, and Elberg, 1992). Together these two boundaries specify what it is to take collectively binding decisions and draw the well-known political map, namely a society ordered in nation states each having their exclusive territory.

This ideal-typical image of a modern, political order based on territorial states, provides the analysis with a starting point, with which subsequent developments may be compared, and thereby changes made clear. Thereby the road is paved for the question of how this political order is changed or challenged by the EU.

The following story about the common market is divided into three periods each indicating a specific image of the market, namely the naturally given market, the politically constituted market and the transnationally negotiated market (for a more elaborate analysis, cf. (Frankel, 2001)). The periods are not isolated from one-another, but rather they are a cumulative development. Hence, today, we may find instances of all three images (although each new

image implies new conditions for existing images of the market).

3. The Naturally given Market (1958 to 1962)

In the early years of the Community, barriers such as customs and quantitative restrictions were at the centre of attention. These barriers were, as a general rule, perceived to be the external boundaries of the member states, for example customs are levied when goods pass the external boundary of the member state and imported into the member state. More generally, barriers were conceptualised as discrimination of imported goods vis-à-vis nationally produced products. And such discrimination need not take place at the external, boundary of the member state, but can also take place in the member state (for example when specific licences are required to market or to use imported products, but not nationally produced products).

It is characteristic of this image of the market that the common market can be established by removing such discriminations (cf. e.g. art. 9-37 in the 1958 EEC Treaty and Council (1960)). The member states could, in this image of the market, very well remove barriers to trade in products and retain sovereignty – the important issue was that the external boundaries of the member states did not work as a barrier for the free movement of goods. In other words, there was no direct link between the nature of the boundary and the nature of the member state. Actually, the common market could very well be established without the Community. The member states could unilaterally remove the barriers in question, and when the external barriers were removed, the common market would emerge. The role of the Community in regards to the creation of the common market is mainly to survey and control that all the member states actually take the required steps.

This conception of barriers relies on a conceptualisation of market according to which the common market – although absent – already was present as a potentiality. All that is needed for this potential market to become present is that there are no external barriers. If there were no barriers, then there would be a common market. When barriers were removed, the market would, like a wave, sweep through the member states. This understanding of the naturally

given market is institutionalised in a certain division of tasks between the Community and the member states. The Community has the task of mapping and surveying barriers for the common market, and ensuring that these barriers are removed according to a specified plan. This plan lasted 12 years, and is an essential part of the original treaty of Rome (1958). The task of the member states is to remove the barriers in question. This implementation of the market relies, in other words, on an intergovernmental decision, and the Commission is given powers to ensure the implementation.

In this image of the market, environmental concerns are absent. This is not to say that the environment could not be taken into consideration in this image of the market. However, it was not relevant for the EU (at that time the EEC) to take environmental concerns into consideration in order to create a market. National, environmental policies (in so far as they existed at the time) were not relevant for the creation of the common market as long as they did not discriminate between imported and domestic products. This, however, changed during the next period.

4. The Politically Constituted Market (1962 to 1980)

Not many years after the founding of the Community, a change occurred in the image of the market. This change is so fundamental that the Community is no longer able to create the market within the established institutional framework. The consequence is that the 12 year plan for establishing the market is no longer workable. The realisation of the common market seemed to have disappeared into the horizon, and – especially during the 1970s – this was a threat to the Community as such.

This fundamental change came as *technical barriers to trade* were constructed semantically. The new barriers were not external to the member state. This implied that also internal, non-discriminatory regulations of member states were seen as barriers, and hence a problem. Although this kind of barrier is now well known, it was not mentioned in the Treaty of Rome. Not until approximately 1962 were these barriers discussed as being a problem, and the name, as such, does not occur until a few years later (for an early definition, cf. Commission (1968)).

Technical barriers to trade are not barriers as such,

rather they are measures taken by a member state which work like a barrier because the measure *differs* from corresponding measures in other member states. In other words: The measure is not a barrier, but the difference between measures is a barrier. An example could be measures regulating packaging of beer. This is a purely internal measure for the individual member state. The measure is not discriminating, as it affects domestic products and imported products alike. In spite of this, the measure does impose barriers on the free movement of products, due to the difference between such measures.

The change to barriers due to difference constitutes a fundamental change in the image of the market, and this has several consequences. One is that the number of barriers is multiplied, which makes the creation of a common market a much more encompassing project. Another, probably more important effect is that the market changes character, which again requires changes in how political cooperation in the Community should be organised. The political concept of what a market is changes when national, non-discriminatory measures are also perceived as barriers.

The focus is moved to the internal regulation of each member state, and in this new focus, each member state is seen as a difference, namely as a difference between state and market. Thereby, the market loses its naturalness; the market only exists because it is constituted politically by the measures implemented by the state. This is also to say that the market now becomes concrete and specific; the market is only a market in virtue of the specific member state, which constitutes the (national) market through specific regulation. The specific regulation of the member states implies that the markets of the member states are no longer 'same, same', but rather member state specific markets, which can lead to incompatibility, and is therefore to barriers to trade. In short, what the concept of technical barriers to trade does is to turn the inside of member states out.

This change in how markets are imagined is reflected in the 1962 encompassing *memorandum* of the Commission (Commission, 1962). The *memorandum* characterises the relation between state and market. It is underlined that the task of establishing a common market cannot be understood without taking into consideration that the modern, liberal

economic order is impossible without "a continuous presence of the state in the economy." This presence of the state in the economy is twofold. On the one hand, the state continually affects the market through its industrial policy. This presence is characterised as 'politics strictly speaking'. On the other hand, the state provides a legal framework for the market. As opposed to industrial policy, this is not 'politics strictly speaking', but a much more fundamental relation between the market and politics, namely that the state constitutes the market. Both ways in which the state is present are encompassed by the 'economic union' (Commission, 1962, p. 3) of the Community. Against this background, it is concluded that "the so-called economic integration of Europe is essentially a political phenomenon." (Commission, 1962, p. 3), translated from German by the author).

"Barriers resulting from differences between regulation in the member states" are barriers resulting from differences in how markets are constituted politically in each member state. The solution to this problem is a concept which is now familiar, but in the 1960s was a word borrowed from music: Harmonisation (Dembour, 1996). Harmonisation turned out to be the name for the task of the Community to remove differences working as barriers. Harmonisation is, in other words, the effort to regulate or govern how member states govern in order to remove barriers stemming from differences in how member states govern.

The task of the Community was in other words not simply to open the floodgates for the common market, but, step by step, to ensure that the common market was constituted politically. As mentioned, this is a task much more encompassing than expected at the outset – actually a task that the institutions of the Community were not geared to. Hence when the 12 year plan for the realisation of the common market was unsuccessful, it was not because the plan was not realised, but rather because the new image of market raised a great number of tasks in relation to harmonisation which were not included in the plan. The plan could not be realized because a host of new directives were to be adopted and revised, and this required both substantial work by all institutions in the EU policy cycle, and, not to forget, it also required unanimity in the Council.

It is within this image of the market that environmental policy becomes relevant. Firstly as a source of member state regulation, secondly as EU policy that provides a solution to national differences (harmonisation). As opposed to the period of 1958-62, the market was, in this period, constituted politically. When markets are constituted politically, they may also be constituted in ways which are more or less sustainable. This image of the market dominates during the period from the beginning of the 1960s until approximately 1980. In the 1980s the transnationally negotiated market began to emerge.

5. The Transnationally Negotiated Market (1980 onwards)

The two previous images of the market had at least one common trait. All political decisions were – without exception – taken to have the form of legal acts or administrative acts. This is also to say that political decisions are only taken by the institutions of the Community or by the states (and their administrations) in the individual member states. This aspect of the market changed from 1980 onwards. It is a political problem that also other decisions than decisions made by public authorities constitute markets (Commission, 1980). Again we have a vast growth in the amount of barriers to be removed as now also private political decisions become crucial for the market construction.

More specifically it is concluded that private, technical standards may be technical barriers to trade, and hence political decisions which constitute markets. According to this image of the market, the problem of constituting a common market is partly outside the competence of the member states. The Treaties appoint the Community of member states as being responsible for realising the common market. However, to fulfil its responsibility, the EU institutions and the member states have to cooperate with private parties with the power to constitute markets politically.

Thus, the new image of the market also implies a fundamental change in what it is to be member state. The previous section outlined how the image of the politically constituted market resulted in a division of each individual member state into state and market. This division becomes problematic, internally as well as externally. Externally it raises the problem of

how member states are to be represented in the Community. In order to establish the common market it is no longer sufficient that the member states are represented as states. It has become necessary also to represent the member state as technical standardizer, i.e. as private political actors. This form of representation has, however, to be developed.

In brief this solution may be characterised as the promotion of a European private politics. A considerable step in this direction is taken with the adoption of the so-called “new approach of technical harmonisation and standards” (Council of Ministers, 1985), which sets up a division of work between European standardisation organisations, the Community, member states and national standardisation organisations. This division of labour is highly ambiguous: On the one hand it sustains the view that the formal political institutions set up an indisputable frame for the private political actors. On the other hand, the very same frame is a topic of negotiation between the involved parties. All in all we get a picture where none of the actors have the upper hand, but rather that the actors are depending on each others competencies in order to fulfil their responsibilities.

The *New Approach* established a formal division of labour between the EU on the one side as framework legislation that obliges member states to formulate political objectives for the establishment of the European market, and on the other side, the ESO, which via standardization mandates drafts and adopts technical standards that facilitate the realization of the European market. In this context, it is worth noting that the division of labour involves a coordination of activities proceeding within two separate and formally autonomous institutional arrangements in both the public and private spheres. The formal organization of these coordinative efforts has been thoroughly accounted for elsewhere (Commission of the European Communities, 2000; Environmental Resources Management, 1997; Joerissen, 1996; Scheel, 1996; Vad, 1998; Voelzkow, 1996; Vos, 1999).

Internally in the member states, the new image of the market raises the question of how – and whether – the state has precedence in relation to private political actors. Seen together the internal and the external problem opens up the question of whether

‘state’ and ‘member state’ remain appropriate descriptions of the political order which emerges in the construction of the market. The basic question here is whether ‘the private’ remains ‘national’ when it is no longer subordinated to the state. The emerging difference between state and private politics opens up the possibility that private politics is organised according to other principles than the national. The political order is not only differentiated in inside/outside the Member State; the establishing of the common market becomes transnational in the sense that EU politics, national politics and private politics are coupled. Thus, politics changes character. As long as the market was created by formal political decisions, the political decisions were also characterised by conferring rights and obligations. In each member state the market was created by conferring rights and obligations, and each citizen was a citizen as a result of the rights and obligations conferred. However, private politics make this description of politics insufficient. Private politics is politics in another sense: It does not confer rights and obligations, but creates affected and interested parties (cf. e.g. Commission (1998)). And who is affected by private political decisions and who is interested party is a matter of ongoing negotiation. This is also to say that the role of the state cannot be taken for granted.

6. Conclusion

This history of political images of the market can be summarized in the following table. Politics of creating a market may at the outset (1958) be characterised as supranational in the sense that the Community was given powers to establish the market. From the beginning of the 1960s, the politics of creating a market became rather intergovernmental (‘harmonization’), i.e. the power to establish – or to block – the common market lies with the member states. Since the early 1980s politics has become increasingly transnational in the sense that private politics plays a role, and is coupled to intergovernmental and supranational politics.

Period	Market	Politics
1958+	Naturally given	Supranational
1962+	Politically constituted	Intergovernmental
1980+	Transnational political negotiation	Transnational

In the course of these changes in the political constitution of market, the coupling to environmental policy also changes.

In the period 1958 to 1962, environment plays no considerable role in regards to creating a common market. In the period 1962 to, environmental concerns increasingly become important, first and foremost because environmental policy measures by the member states were to a large extent perceived as potential barriers to trade, and thereby in conflict with the establishing of the common market. The solution to this problem has been, by and large, ‘harmonization’ of the environmental policies of the member states, and thereby also the creation of an environmental policy of the Community. Of course, barriers to trade should not be seen as the sole reason for the emergence of a common environmental policy, but nevertheless as a decisive factor.

Already at this point in time, environmental policy and internal market policy become intertwined to an extent that they have a shared destiny. I.e. when the image of the market changes and requires governance, environmental policy is posed to governance challenges as well.

In short, we find that the market in the period 1962 to 1980 is a source for harmonization. If environmental concerns and free movement of goods are not to be oppositions, EU environmental regulation is required. Hence, it was in this period, to a certain degree, possible to unite environmental concerns with market creation, but only to a certain degree. The reason is that politically, the market can be constituted by creating a framework, but it is outside the reach of politicians how this frame is filled.

This situation has changed from 1980, as the constitution of the common market has become transnational. From this point in time, the political constitution of the market is now conceived in a much more detailed manner, and hence a project which requires detailed – public or private – regulation in order to succeed. Thereby an image of the market emerges, in which politics can to influence *what products* are actually market.

The analysis, however, also points at a serious challenge, namely *governance*. The European Standardisation Organisations are autonomous organisations

to be negotiated with. More specifically, industry has a central, if not predominant position in the private part of the market creation.

Why has technical standardization become a tool for EU environmental policy? To this question, more answers can be given. A narrow explanation is that the image of the market has led to the new approach, and the essential requirements therein couples EU environmental policy with technical standardization. This is done under the hegemony of the internal market policy. A broader explanation is that the EU has developed in such a way that it cannot alone realize its own policy objectives. Hence governance and coordination between EU politics and private politics is the order of the day. This transnationalization of politics, it seems, is difficult for environmental policy to avoid.

The historical account given above shows that 'market' is a historical construct, and not a given, transhistoric entity. This implies that new images of the market may emerge and become institutionalised. One such could be the image of the sustainable market. However, it is still to be seen whether the image of the sustainable market becomes institutionalised.

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