Introducing Transnational Climate Change Governance

Whose responsibility is it to tackle climate change? ‘Everyone’s and no one’s’, we might glibly reply. Responsibility is diffused across scales, social groups, sectors, countries and generations. The causes of climate change are implicated in everyday acts of production and consumption and relate to the ways in which societies organise their transportation, housing, energy, water and food systems. Recognising the complex and diffuse agencies and authorities that address climate change, the world of climate politics is no longer limited to the activities of national governments, international organisations and interstate bargaining between states. Increasingly, subnational governments, non-governmental organisations, businesses and individuals are taking responsibility into their own hands, experimenting with bold new approaches to the governance of climate change (Betsill & Bulkeley 2004; Andonova, Betsill & Bulkeley 2009; Selin & VanDeveer 2009b; Bulkeley & Newell 2010; Hoffmann 2011; Bulkeley et al. 2013). The governance of climate change now takes a seemingly bewildering array of forms: carbon markets, certification standards, voluntary workplace schemes, emissions registries, carbon labelling, urban planning codes and so on. Critical to this transformation of the politics of climate change has been the emergence of new forms of transnational governance that cut across traditional state-based jurisdictions, operate across public-private divides and seek to develop new approaches and techniques through which responses are developed. What sets these initiatives apart from other forms of transnational relations is how they not only influence others, but also how they directly intervene in the governing of global affairs in ways that defy conventional understandings of international relations.

But why are all of these actors, apparently independently, seeking to govern climate change? At first glance, it seems rather remarkable that organisations as diverse as the HSBC, the Greater London Authority, local community groups and the state of California should want to engage in governing climate change with others beyond their jurisdictional or organisational boundaries. Why would they make the effort to do this when so many others are not taking the lead and when any actor’s individual contribution can only be insignificant in relation to the true scale of the global
Introducing Transnational Climate Change Governance

challenge? Who are creating these schemes? What specific issues within the broad domain of climate change are they seeking to address? How do they gain legitimacy or authority? And are these schemes at all effective? Finally, what wider effects does transnational climate change governance (TCCG) have on international cooperation, the environment and human welfare more generally?

In this book, we attempt to offer answers to some of these questions. We do so not only because the phenomenon itself is puzzling but also because the answers may have significant implications for our understanding of world politics. In recent years, scholars have documented the existence of transnational governance schemes across a range of different issue areas. What has been happening in the arena of climate change, therefore, reflects a much larger trend in global politics (Hale & Held 2011), with potentially significant consequences for fair, effective and accountable global governance prospects. For some, transnational governance appears to offer dynamic new solutions to global challenges that states seem incapable of resolving on their own. For others, it represents, at best, a distraction from intergovernmental efforts and, at worst, a potential undermining of multilateral approaches. And, finally, for a few, transnational governance is interesting but entirely without consequence.

The fact that such divergent views are held on the same phenomenon is, we argue, partly attributable to the way in which we have tried to study it. Much existing work on the nature and consequences of transnational governance has focused on a few high-profile cases involving organisations such as the Forest Stewardship Council, the Marine Stewardship Council, the Basel Committee on Banking Supervision, Responsible Care and the UN Global Compact. In the domain of climate change, examples include Cities for Climate Protection, the C40, the World Bank Climate Finance partnerships, the Chicago Climate Exchange and so on. While these detailed case studies have yielded important insights, their specific focuses make it difficult to evaluate the larger dynamics and effects of transnational governance as a whole. Different cases can be used to support any one of the three positions outlined earlier. Thus, we believe that any sweeping conclusions based upon these case studies are premature. Without first getting a sense of the overall scope and impact of transnational governance, without considering the entire landscape of transnational initiatives, it is difficult to sustain such bold assertions.

In order to fill this gap in our understanding, this book offers the first comprehensive account of TCCG, which we regard as a microcosm of the larger world of transnational governance. Co-authored by a team of experts in the field, and based on an analysis of sixty TCCG initiatives, the book traces the emergence, characteristics and consequences of this unique phenomenon, assessing its overall implications and significance. In doing so, it also raises questions about the extent to which such a phenomenon can be found in other fields and the connections between responses to climate change and other important areas of global governance, including security, the global economy and development.
Why Care about TCCG?

As suggested previously, while matters of transnational governance have attracted more attention of late, for some they remain at best a distraction from the main game of international relations or environmental politics. First and foremost, our analysis demonstrates that those who regard transnational governance as a sideshow in the world of climate politics are wrong. TCCG is pervasive and has significant political, economic and environmental impacts. TCCG initiatives exercise authority over individuals, companies and even states and intergovernmental organisations (IGOs); collectively, they command a significant share of the resources that are dedicated to the climate issue. Indeed, it is not possible to fully understand the politics of climate change without understanding TCCG. All individuals concerned about climate change – academics, activists, citizens and policymakers – should be interested in how TCCG works, for whom it works and how it might contribute to efforts to stave off the consequences of climate change. To answer these questions, we need to understand the characteristics of TCCG, its drivers as well as its effects and how it has evolved over time. Our book provides these insights.

In addition, our analysis of TCCG speaks to a number of broader academic debates. For scholars interested in transnationalism (Keohane & Nye 1977; Risse-Kappen 1995; Slaughter 2004a; Tarrow 2005; Cerny 2010), climate change provides the quintessential example of a dense area of transnational relations and illuminates some of the core issues within the field. It does this by opening our eyes to the range of possible forms that transnational governance can take. Looking at particular instances of governance or narrow issue areas is important and indicative, but it does not provide the basis for understanding more general shifts in institutional forms. Climate change, because of its cross-sectoral nature and intimate connections to issue areas such as trade, finance and production, and security, is sufficiently dense and expansive to offer a more general laboratory for the study of transnationalism. There are simply more initiatives taking a wider variety of forms across multiple scales than in other issue areas. This richness means we are well placed to explore ideas about where TCCG sits within the broader regime complex of actors involved in collective endeavours to tackle climate change (Raustiala & Victor 2004; Keohane & Victor 2011; Abbott 2012) and to probe the relationship between public and private authority.

Scholars of environmental governance (e.g. O’Neill 2009; Adger & Jordan 2011) may be more familiar with the dynamics of climate change than those researching transnational governance. But while these scholars have recognised that transnational governance is an important part of multilevel governance, there is relatively little research that attempts, as we do here, to provide a synoptic overview of all initiatives within this particular field; research remains, by and large, case-study based. As such, this book provides scholars with a means to systematically explore the characteristics
Introducing Transnational Climate Change Governance

of transnational environmental governance as well as how it relates to other aspects of the complex multilevel character of environmental governance.

For academic and policy specialists working on climate change, a deeper understanding of TCCG is important because it provides a less state-centric and regime-centric analysis of the sources, drivers and forms of climate governance which exist within and beyond the state and international regime. Most of the literature on climate governance remains resolutely state-centric (e.g. Gupta et al. 2007; Victor 2011). That which tries to avoid this state centrism focuses either on particular actors, such as cities (Betsill & Bulkeley 2004); or on multilevel governance involving diverse actors and institutions within particular regions (Schreurs, Selin & VanDeveer 2009; Selin & VanDeveer 2009a, 2011, 2012); or on one-dimensional or bilateral relationships between specific subgroups of actors, whether they be NGOs and the state (Arts 1998; Newell 2000a; Betsill & Bulkeley 2004), businesses and the state (Newell & Paterson 1998; Levy & Newell 2005) or relationships between regimes (Oberthür & Stokke 2011). What we tend to lack is an understanding of the multiple interlinkages and relationships in which these actors are simultaneously involved – precisely the kind of analysis we develop here.

In sum, what we provide in this book for scholars and practitioners engaged in these debates is a more comprehensive analysis of TCCG, which can also tell us much about the phenomenon of transnational governance more generally. The analysis of sixty key TCCG initiatives provides comprehensiveness of coverage, a sufficiently diverse sample to be able to generate meaningful conclusions about this area of transnationalism and the ability to compare TCCG initiatives according to common criteria. In doing so, we are able to move the analysis of transnational governance beyond individual cases to consider overall patterns and trends and to assess the extent to which initiatives converge and diverge by region, sector, actor or issue. Combining quantitative and qualitative data in this way, informed by a range of theories drawn from different disciplines, our analysis provides an evidence base from which we respond to critiques of existing scholarship on transnational governance.

Putting Transnational Climate Change Governance in Context

Of course, understanding TCCG first requires an engagement with its three core components: transnationalism, climate change and governance. Each of these terms denotes a field of study in itself, with its own sets of debates and contested claims. In situating this book at the intersection of these three concepts, our intention is neither to delimit an exclusive research arena nor to replicate arguments that have been well rehearsed elsewhere. Rather, we seek to explore how working across these three areas of research can provide a basis for examining the empirical phenomenon of TCCG and how, in turn, this can inform our understanding of the nature and dynamics of transnationalism, climate change and governance more generally. In order to begin
this task, we establish how each core component informs our understanding of TCCG by discussing how it is applied within the book.

**Transnationalism**

The notion of the transnational has a rich history in the discipline of international relations, and it has acquired a rather specific meaning even while playing an increasingly larger role in a range of fields, including history, sociology, geography and political science. Within the field of international relations, it denotes the scope of a particular activity or set of relations, as the colloquial use of the word suggests. Transnational phenomena are those that bridge, operate or extend across the boundaries of states. But the word also tells us something about the kind of actors involved. Transnational phenomena, by definition, involve non-state or substate actors, such as businesses, individuals, religious groups, charities, NGOs, municipalities, courts and so on. It should not be understood as a synonym for international, supranational or intergovernmental activity, which involves relations between states as they interact strategically and symbolically with one another. Transnational relations are those that occur between state and non-state actors as they interact across state borders.

States are central to the conceptualisation of transnational phenomena in international relations (IR) given that, by their very definition, transnational phenomena cut across state borders. However, the term itself emerged largely in reaction to the hegemony of the state as the central organising concept of the discipline. Canonically, modern international relations theory took interstate interactions in an anarchic environment as its dominant subject matter (Morgenthau 1948; Bull 1977; Waltz 1979; Gilpin 1981). Scholars working in the realist tradition were concerned primarily with actors such as heads of states, diplomats and militaries – the main organs of governments that interacted with their counterparts in the international arena. Other kinds of actors were of interest only insofar as they affected the behaviour of statesmen, though they were generally thought to be inconsequential because of the rigors of the anarchical system within which states operated.

This understanding of the proper subject matter of international relations played an important role in establishing the field within the broader discipline of political science (Guzzini 1998). However, in the 1960s and 1970s, IR theorists challenged the paradigmatic status of realism. This occurred, first, as those such as Graham Allison (1971) sought to unpack state decision making and, second, as increasing globalisation and interdependence brought scholars’ attention to new phenomena that constituted international politics but were not the struggles of states attempting to survive...
Introducing Transnational Climate Change Governance

in a world populated by other states. In regard to this second concern, Joseph Nye and Robert Keohane (1971) attempted to theorise the impact of transnational relations on the behaviour of states. They define transnational relations as ‘contracts, coalitions and interactions across state boundaries that are not controlled by the central foreign policy organs of governments’ (1971, 329). Notably, this conceptualisation of the transnational includes ‘movements of tangible and intangible goods’. Though such transnational contracts, coalitions and interactions were not new, Nye and Keohane argue that they were increasingly shaping the costs and benefits that states faced when considering different courses of action, at the time they were writing, thereby challenging state-centric assumptions prevalent in IR until that point. They called, in turn, for a world politics paradigm, which would broaden the range of actors considered important and disaggregate the state into its component parts. Their subsequent book, Power and Interdependence (Keohane & Nye 1977), elaborates upon these themes and articulates an ideal-type theory, complex interdependence, as an alternative to realism.

By the end of the decade, however, the field had reaffirmed its state-centric perspective, albeit in modified form. In the 1980s, scholars argued that under conditions of interdependence, when policy-relevant activities such as trade or pollution spilled across borders, states had more incentives to cooperate through interstate institutions (Keohane 1984). In other words, transnationalism changed states’ incentives, but the resulting behavioural changes were still best conceptualised as matters of classic interstate diplomacy. From an institutional perspective, the primary focus remained on public, intergovernmental institutions or regimes as they came to be known (Krasner 1983). Importantly, nuanced theorists of interstate regimes did not claim that transnational relations were irrelevant, but simply that a parsimonious theory of world politics required scholars to focus on the political behaviour that mattered most to outcomes. This perspective persisted until the 1990s, when the end of the Cold War and the deepening of globalisation again made state-centric assumptions less plausible and useful. Thomas Risse-Kappen’s volume Bringing Transnational Relations Back In (1995) rekindled many of the research themes forged in the early 1970s, although this time many scholars focused on the activities of the global NGOs that had, in the intervening decades, become significant players in world politics (Keck & Sikkink 1998). While Keohane and Nye’s formulation still served as the basis for subsequent theorising of transnational relations in IR, Risse-Kappen modified his approach by defining transnational relations as ‘regular interactions across national boundaries when at least one actor is a non-state agent or does not operate on behalf of a national government or an intergovernmental organization’ (1995, 3).

Following Risse-Kappen, a number of scholars explicitly concentrated on studying the conditions under which such transnational coalitions and actors managed to successfully influence the behaviour of states (Haas, Keohane & Levy 1993; Keck & Sikkink 1998; Price 1998; Risse, Ropp & Sikkink 1999). This was a hard test from the perspective of neorealists, designed to show that such actors and interactions were
Putting Transnational Climate Change Governance in Context

capable of producing real changes in the behaviour of others. However, alongside these works, a growing body of scholars also began to examine transnational politics beyond the state (Wapner 1995). While non-state and substate actors clearly attempted to influence state policy, they also increasingly engaged in governance or government-like activities across borders on their own, establishing transnational rules, principles and norms that actors located in different states would follow or defer to. As in the 1970s, the embrace of transnationalism in the 1990s led some scholars to perhaps overstate the transformation of world politics. Predictions of ‘the end of the state’ (Strange 1996; Mathews 1997; Kobrin 1999; Prakash & Hart 1999) were certainly premature. Indeed, the more interesting development, theoretically, was the recognition that the state itself acted transnationally, for example, through transgovernmental networks of domestic government officials – regulators, legislators and judges – who coordinated with their peers from other countries on topics of mutual concern (Slaughter 2004b; Slaughter & Hale 2010).

Despite these reservations, one of the important contributions to this field in the past ten years has been the development of an account of how non-state and substate actors were becoming involved through transnational relations in global governance, either through their own capacities and institutions or in conjunction with traditional actors, such as states and IGOs. In more and more issue areas, scholars realised that transnational actors did not just pursue their goals by lobbying states or IGOs; rather, they could actually pursue governance in their own right. In other words, transnational governance became – or, in some cases, was finally recognised as – a central component of world politics. While comprehensive empirical mappings of transnational governance are challenging, transnational institutions can be found in a wide range of issue areas (Hale & Held 2011; Hoffmann 2011).

This dimension of transnational relations is the one on which we concentrate here. We broadly follow Risse-Kappen’s definition of transnational relations, including both public and private actors within our conceptualisation of transnational activities. However, we limit our focus to transnational governance as opposed to transnational activism that seeks to alter the behaviour and trajectories of state actors. Transnational governance initiatives or arrangements can be thought of as the primary units with which our analysis is concerned. This focus limits our theoretical view to a particular range of transnational phenomena. Within this range, we are concerned only with transnational governance that seeks to govern in the domain of climate change. To better understand what this entails, it is therefore helpful to consider what kinds of activities can be thought of as resting within the domain of climate change and, subsequently, what we can regard as constituting governance in this context.

Climate Change

Discussions of climate change, and of how societies should respond, are now very common. It is therefore reasonably difficult to recall that a little more than twenty
Introducing Transnational Climate Change Governance

years ago, the term itself was relatively unknown beyond the confines of specific scientific communities.

The basic theory of the greenhouse gas effect was first outlined more than a century ago by the Swedish chemist Svante Arrhenius. However, the scientific community largely ignored climate change until the 1950s, and it was not until the late 1980s and 1990s that climate change became a major international issue. The International Council of Scientific Unions’ (ICSU) International Geophysical Year (IGY) project, which took place in 1957–1958, was the first major study to galvanise concern over climate change in the scientific community. Data collected at the Mauna Loa Observatory in Hawaii, headed by Dr. Charles Keeling, revealed that carbon dioxide concentrations were increasing. This growth was eventually attributed to fossil fuel emissions, as well as other human activities, as Arrhenius had first hypothesised (Schneider 2009). In subsequent years, scientists increasingly highlighted the potentially harmful effects of climate change and eventually managed to place the issue on the international political agenda. Major turning points include the first World Climate Conference in 1979; the Villach (Austria) scientific conferences in 1985 and 1987; testimony and the raising of public awareness by scientists such as NASA's James Hansen (notably, before Congress in 1988); and, finally, the World Conference on the Changing Atmosphere held in Toronto in 1988, which put forth ambitious targets and timetables for the reduction of greenhouse gas emissions for the first time.

The late 1980s was a critical period for the issue of climate change, marking the first occasions when it became widely accepted as a major problem by governments, who then began negotiations on a climate regime. In particular in 1988, the General Assembly of the United Nations adopted Resolution 43/53 on the ‘protection of global climate for present and future generations of mankind’, which stated that climate change ‘affects humanity as a whole and should be confronted within a global framework so as to take into account the vital interests of all mankind’. After rejecting a proposal for a negotiating committee under the auspices of the World Meteorological Organization (WMO) and the United Nations Environment Programme, the International Negotiating Committee for a Framework Convention on Climate Change (INC) was established in 1990 by Resolution 45/212 of the General Assembly in order to ‘negotiate a framework convention, containing appropriate commitments, and any related legal instruments as might be agreed upon’. The INC met on six occasions before May 1992, when the committee finally agreed upon a text and recommended it for signature during the Earth Summit. By the end of the conference, the United Nations Framework Convention on Climate Change (UNFCCC) had been signed by 154 states and entered into force in March 1994. Over the ensuing years, climate change has grown to become one of the most important issues on the global agenda. Negotiations under the UNFCCC led to the Kyoto Protocol in 1997, seen as a first step towards a more comprehensive global treaty. Negotiations on a more encompassing agreement commenced with the adoption of the Bali Plan of Action
in 2007. This process came to a dramatic conclusion at the fifteenth Conference of the Parties in Copenhagen in 2009, which was held for the purposes of establishing a successor to Kyoto. Instead, the event proved to be one of the most controversial multilateral meetings of the new millennium, involving more than 10,500 delegates; 12,000 NGO participants and 1,287 media organisations. Scientific research grew more rigorous and consistent over this period, as reflected in the regular reports of the Intergovernmental Plan on Climate Change (IPCC). But the issue also began to attract the attention of economists, who offered divergent but similarly dire estimates of the economic impacts of climate change in several major reports, such as The Economics of Climate Change: The Stern Review and the Garnaut Climate Change Review. The former famously referred to climate change as the ‘greatest market failure the world has seen’ (Stern 2007, Garnaut 2008).

As a result of the growing prominence of the issue, climate change has entered popular discourse in a remarkable fashion, transcending its origins in the natural sciences. News reporting on the science, politics and economics of climate change, for example, has increased considerably in most countries (Boykoff 2011). It has also entered the popular media through films such as Al Gore’s An Inconvenient Truth and the disaster epic The Day after Tomorrow as well as books like Michael Crichton’s State of Fear and Cormac McCarthy’s The Road. Similarly, climate change has attracted much interest from the social science community; so much so, in fact, that climate change has been accused of being somehow discursively hegemonic by subsuming, absorbing or crowding out work on other environmental issues. Throughout all of this, there has been, above all, an increasing consensus on the science of climate change in most places, but also a proliferation of contending perspectives on its meaning and significance (Hulme 2009). Indeed, our understanding of the issues at stake as well as our specific roles and responsibilities in relation to them remain fundamentally unsettled. There has, for instance, been vociferous debate over who is responsible for addressing climate change and how responsibility is diffused across scales, social groups, sectors, countries and generations. This radical indeterminateness, we believe, is itself one of the first clues to understanding the phenomenon of TCCG. In this book, therefore, while we use the term climate change to denote a quite specific (if complex) phenomenon occurring in our atmospheric and oceanic systems, we also wish to leave open the ways that individuals, firms and other groups themselves interpret the term and their activities and responsibilities in relation to it.

Used as a term to label the changing composition of the earth’s atmosphere through the introduction of greenhouse gases and the resulting shifts in atmospheric-ocean circulations, through which climatic conditions are thought to be undergoing significant and rapid change, climate change is now used liberally throughout media and popular culture. It shows up in unlikely places from boardrooms to music festivals and art fairs. Within the social sciences, research on climate change has both reflected the ways in which this issue has evolved politically, socially and culturally, and been
Introducing Transnational Climate Change Governance

shaped by broader shifting intellectual currents. As such, climate change cannot be reduced to a phenomenon with a single set of meanings, and the contestation over these meanings constitutes one of the most significant features of climate change as a social and political question (Hulme 2009). These competing meanings not only play out in dry academic and policy debates but have been broadly reflected in popular culture. Such phenomena themselves help to affect the political dynamics surrounding climate change, as in, for example, the deployment of Crichton’s novel by those contesting the legitimacy of climate change as an issue.

One framing presents climate change as we have done above: as the emergence of a scientific problem and an attempted political solution. But as social scientists have turned their attention to social and political responses, this linear narrative gets progressively blurred. A second focus has been on the development of broad social and political responses in order to understand climate change first and foremost as a question of governance. Here, we can note in particular the enormous literature on the emergence of an international regime on climate change (for a tiny selection, see Rowlands 1995; Paterson 1996; Grubb et al 1999; Depledge 2005; Hoffmann 2005), and the events that form the key moments in its development: the establishment of the negotiations at the end of 1990 following the publication of the first IPCC report and the Second World Climate Conference; the agreement of the UNFCCC in 1992; the negotiations leading up to the Kyoto Protocol in 1997 and the detailed implementation of its provisions agreed at Marrakesh in 2001; the withdrawal of the US from the agreement in 2001 and the struggle to get Kyoto to enter into force; and finally the ongoing negotiations to find a replacement for the Kyoto Protocol once its main provisions came to an end in 2012. Here, while the impetus for action is often argued to follow ‘scientific necessity,’ climate change is primarily understood through the notion of collective action problems. It is framed principally through the nationalist understanding of the world as divided into separate states, which encounter enormous problems in co-ordinating their activities to deal with a problem like climate change.

As the international regime initiated in the early 1990s to facilitate negotiation of a global agreement to reduce the concentration of greenhouse gas emissions in the atmosphere and adapt to climate change has faltered, interest has grown in other means of initiating a response. During the 1990s, early accounts focused on the development of the international regime and considerations of the ways in which NGOs, scientists and corporate actors were influencing the emergence and development of new institutions and rules designed to create an international response (Arts 1998; Newell 2000a; Betsill & Corell 2001; Hoffmann 2005). By the turn of the century, attention also began to focus on the ways in which climate change was being governed beyond the state. As such, an emerging literature considered the forms of multilevel governance that demonstrated the roles subnational authorities at state and city level were playing in response to climate change (Bulkeley & Betsill 2003; Rabe 2004, 2008; Selin & VanDeveer 2009a), the development of private forms of climate