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Transformation? Yes, but equitable! New institutional structures for a just transition

Protecting the natural environment is a question of justice. The Intergovernmental Panel on Climate Change (IPCC) recently emphasised the urgency of taking immediate action to address the climate crisis. The Federal Constitutional Court of Germany has made it unmistakably clear that intergenerational justice is at risk, and fundamental rights will have to be curtailed in the near future if prompt and effective climate action is not taken. In its ruling of March 2021, the Court underscored intergenerational justice, which, together with the principle of global responsibility, was already enshrined in the Paris Agreement as a core dimension of justice. However, the focus on the climate crisis must not be allowed to overshadow other existential crises like the biodiversity crisis: in order to ensure that planetary boundaries are not exceeded, a far-reaching transformation of the economy and society is needed.

Environmental policy has long been systemically linked to social issues. Today this often exposes the limitations of existing political structures. One central question therefore is what “updates” are needed to ensure a **just transition** – both in terms of processes and outcomes? We are proposing new structures within which the societal and policy negotiations needed can take place. It is a pressing task for policymakers to shape these structures.

Recommendations

for structures of a just transition

1. Coordinate ministries in a Transformation Cabinet

Integrated and effective policy strategies must be developed for government policies. To this end, ministerial coordination must be significantly strengthened. We propose turning the Climate Cabinet into a Transformation Cabinet entrusted with wide-ranging powers.

2. Reorganise commissions with the involvement of citizens' councils

The just transition, as a joint task of society, needs new forms of political governance. “Co-creation” models between government and society, for example in commissions, must move away from the compromise of the lowest common denominator towards sustainable policy strategies. Citizens' councils should be closely involved in this process as an important way to complement interest groups. Scientists should support shared learning amongst participants with relevant research.

3. Support civil society as a source of impetus

Trade unions, social and charitable organisations, environmental NGOs – civil society, which is fragmented along political action areas, must become more effective in bringing about socioecological change. Support should be given to the various bottom-up activities, but also to activities to build capacity and form joint structures. Policymakers should readjust financial support and create new channels for integrated input from civil society beyond traditional ministries.

Problem: Sustainability policy requires new forms of policymaking

For a long time, sustainability was regarded as a puzzle consisting of many single pieces: if only each and every individual would embrace sustainability as fully as possible in their specific areas, the overall picture would be one of a sustainable society. The past few years have changed this picture: the call for “integrated” approaches to sustainability policy have grown louder as we became increasingly aware of how far-reaching the changes to the economy and society would have to be in ever-shorter timeframes.

Environmental and social issues cannot be successfully addressed separately because:

- environmental policy measures have a potentially wide-ranging social impact, for example through distributional effects,
- environmental policy goals require that societal structures in the areas of mobility, energy or food, for example, be profoundly restructured and reorganised,
- certain social groups, future generations and people in other regions of the world will be particularly affected if environmental policy is neglected or inadequate, or are already affected by the status quo,
- central social problems, such as growing social and global inequalities, ultimately arise from the same economic and political systems as the environmental problems presented by climate change and biodiversity loss.

The environmental issue is thus a social issue, and vice versa.¹ This is also the point of departure for the concept of the just transition² which has become increasingly prominent in the climate policy debates in recent years. In what sense justice is called for here varies, however, depending on the political setting and actor³. While the ambiguity of the term creates the opportunity to establish a common point of reference for different stakeholders and interests, it also risks detracting from the scope of necessary changes.

For the just transition to become relevant as a political agenda, it must therefore, in our view, be based on the following principles: Sustainability policy must be designed

- to adopt measures that are necessary to comply with already agreed targets in the interest of respecting planetary boundaries, but also inter- and intragenerational justice, and
- recognise that it is systemically linked to social justice issues of democratic participation and distribution also in the here and now.

The long-term goal of sustainability policy with the aim of a just transition must therefore be to change existing systems in society so that they deliver better results from an environmental *and* social perspective. Despite this common goal, the path to achieving this goal will not be characterised exclusively by win-win measures:

what is “just” especially from different perspectives – is not easily determined. Starting from a system with real areas of conflict – for example economic growth not only exacerbates environmental problems, it simultaneously serves as the basis for social welfare systems – there will be interdependencies and conflicting goals that have to be negotiated at political and societal levels. Shaping a just transition therefore extends beyond the possibilities of established forms of political governance and must rather be seen as a joint task of society.

The long-term goal of sustainability policy must be to transform existing societal systems.

Analysis: Existing institutions and structures are not enough

The concept of the just transition has also been the subject of high-profile discussions in Germany for several years and has increasingly been declared a guiding policy principle as a "benchmark for the social dimensions of modern climate policy" by Federal Environment Minister Svenja Schulze, among others.⁴ The first approaches by political institutions, such as the Commission on Growth, Structural Change and Employment (Coal Commission), can be regarded as attempts to shape this concept. In hindsight, however, it can be said that the necessary "translation" from a guiding principle to action-driven structures and processes has hardly succeeded so far and that inter- and intragenerational justice concerns have not been sufficiently integrated.

In short: while a new awareness of the links between social and environmental issues has emerged, effective structures and policy approaches and processes are still lacking. In the current debate, socioecological concerns often become a starting point for drawing attention to what is feasible within the existing structures of political negotiation – and what is not. While the dilemma described points to a real problem, it cannot be a legitimate reason for inadequate political action. Rather, it must be seen as reason to shift the focus to the central question: what "updates"

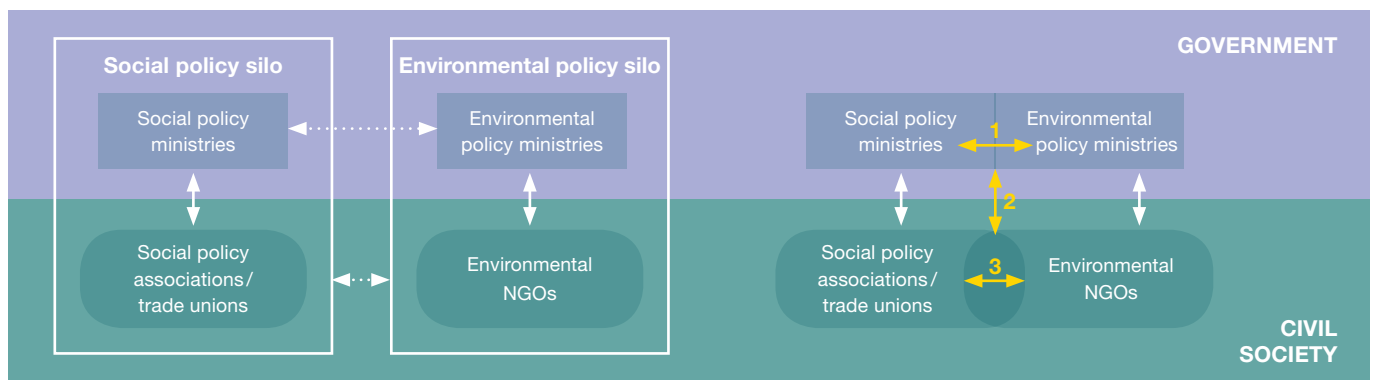
to democratic structures are needed to promote the just transition to foster greater **integration** of social and environmental concerns and achieve a new quality in **co-creation processes** between government and society? Our analysis shows that both aspects have so far been insufficiently reflected in the existing structures of political negotiations (Figure 1):

- **Integration:** As problems are often dealt with separately from one another in "silos" of policy areas and ministries, they do not produce sufficiently integrated and far-reaching approaches to action. There is a need for more horizontal coordination structures between socially and environmentally oriented stakeholders at different levels.
- **Co-creation:** The political silos are also reflected in the vertical relationships between civil society and government. While these are well established within policy areas, they are hardly developed with other policy areas across levels.

Figure 1: Relationship structures of environmental and social policy – starting point and goal

Starting point: Strong vertical relationships in silos, weak or diffuse horizontal structures

Goal: To eliminate silos and strengthen horizontal and expand vertical dialogue structures



Three institutional action areas for integrated just transition policies

Our analysis focuses on the following three areas where we consider further development to be necessary:

Interministerial coordination

In developing German sustainability and climate policy, structures were created to ensure an integrated perspective in a political system that has so far been essentially characterised by independent and autonomous administration of the various policy areas by the individual ministries. Until now, it has been primarily the responsibility of the Federal Chancellery to assume a coordinating function across the various ministries with respect to the sustainability strategy. In retrospect, the success of these attempts at integration can be seen quite critically due to their lack of concrete policy results. The recently established climate cabinet can also be considered a cross-ministerial attempt at integration, but given the challenges outlined above, it can hardly be deemed sufficient in terms of both the scope of integration and political effectiveness. The climate cabinet focuses exclusively on climate; the social policy ministries are not included.

The current discussions aim to strengthen the powers of individual ministries or the Federal Chancellery. However, it is necessary to overcome silos and develop integrated and coherent policies. The Italian model, which established a powerful ministry for socio-ecological transformations, could serve as a useful example. At the same time, the focus on coordination and cross-cutting approaches has been strengthened by the creation of an interministerial committee to coordinate the work of the ministries on sustainability transitions.

Co-creation structures

With regard to the structures that govern the relationships between government and civil society actors, there have also been institutional innovations in the past, such as the Coal Commission (2018) or the Commission on the Future of Agriculture (2021). Commissions can be a key approach to co-creation. However, experience shows that previous attempts have only managed to organise the necessary political negotiations to a limited extent. In addition, questions arise as to the composition of these commissions to ensure broad public legitimacy and how to ensure that outcomes do not fall short of the trajectories already established in policy to achieve the agreed goals.

Dialogue structures within civil society

A just transition also requires a new quality of socioecological dialogue structures at the level of civil society organisations. Important impetus for policymaking can arise where lines of conflict are dealt with at an early stage and shared future visions and goals across organisations are developed. This impetus in turn can have an impact on spaces where policy is co-created and the spaces where policy is shaped by the government. In the past, social and environmental actors have sometimes tried to advance issues together. However, the activities usually “fizzled out” without any appreciable results.⁵ While the first more durable relationships between

individual civil society associations have recently emerged – for example between the BUND and the Paritätischer Wohlfahrtsverband – and the number of joint papers, appearances and campaigns is on the rise, the higher-level dialogue structures are still in their infancy and remain fragile. There are many reasons for this related to the specific inherent logics of each organisation, the lack of internal organisational capacities such as knowledge or personnel, but also path dependencies that are shaped by the established channels of influence on policy making.

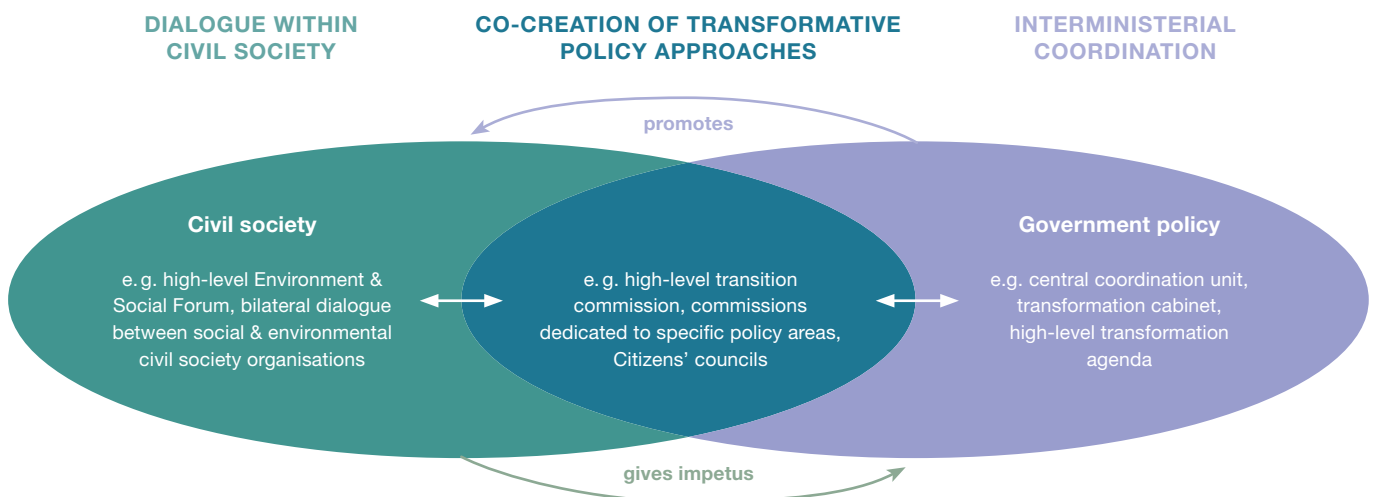
Civil society needs a new quality of communication structures to address socioecological challenges.

Recommendation:

Institutional architecture for a just transition

Our analysis has shown that institutional structures need to be “updated” in order to translate the guiding principle of a just transition into political practice. Where the scope of established political governance quickly shows clear limits with regard to a just transition, it is important to create the necessary framework conditions, to promote new dialogue structures and, where appropriate, to institutionalise them. A new overall architecture must strengthen and meaningfully link the different levels of relationships (Figure 2). This is the aim of our recommendations, which are intended to serve as suggestions for political decision-makers.

Figure 2: Institutional structure to shape just transition policy



Source: Author's diagram, IÖW 2021, based on Sharp et al. (2020)⁶

1. INCORPORATING NEW INTERMINISTERIAL STRUCTURES

A **central coordination office** should be set up to ensure the interministerial coherence of a just transition and thus also act as a central point of contact for integrated, socioecological impetus from civil society. Experience shows that the Federal Chancellery has so far only exercised this role with limited success. It is therefore imperative that the Federal Chancellery be far more proactive in the future and take strategic action in line with the formulated goals. In addition, we propose turning the climate cabinet into a **transition cabinet** which includes social policy actors and widens the focus to socioecological transformations.

In addition to having a clear duty to bring about a just transition, it should also be endowed with specific powers for interministerial coordination. Its role should be to integrate the various political strategies including the Climate Action Plan 2050, the German Sustainability Strategy and the National Strategy on Biological Diversity into an **overarching transformation agenda** and to underpin it with relevant strategies and proposals for action. In this context, it will be crucial – and this is also how the clear warning given by the Federal Constitutional Court on the Climate Change Act is to be interpreted – that **effective measures** are adopted in accordance with goals already enshrined in policy.

2. NEW WAYS OF CO-CREATING POLICY STRATEGIES THROUGH COMMISSIONS

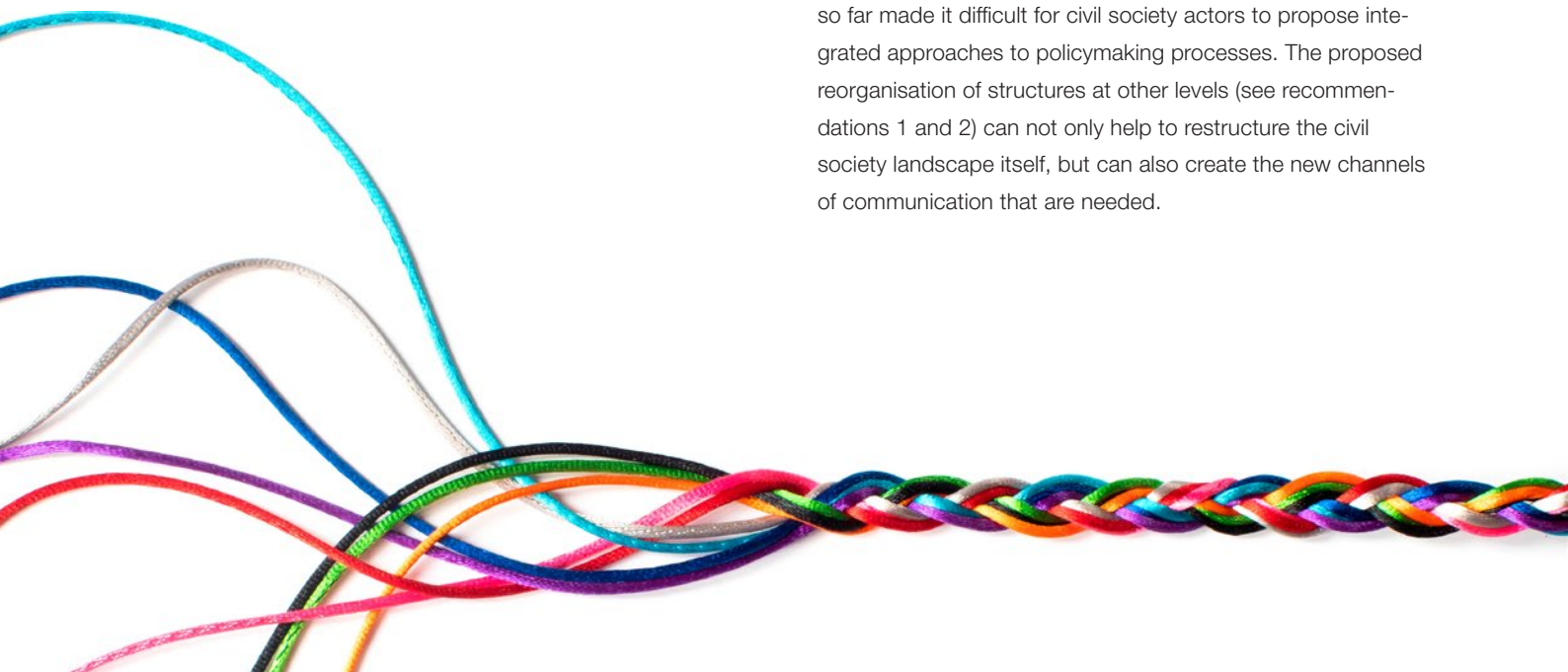
In addition to interministerial coordination, spaces where policy is co-created should be further developed. Commissions can play an important role in these efforts if a new mode of commission work can be established. The focus should be on joint search and learning processes, which, in view of conflicting goals, must also give rise to new options for action. In other words: the aim must be to positively shape processes aimed at sustainability and justice goals that have to be achieved by all means. This should involve the established stakeholders in civil society, but also representatives of younger generations and other highly affected groups and representatives of future generations. The commissions should function as spaces for thought and discourse, they should be dialogue-oriented and open-minded, but should always work to prepare decisions with a view to concrete policy designs. In order to support the necessary learning processes, science should play a central role not only as a “provider of facts” and a corrective force, but also to conduct accompanying research on behalf of the commissions. Citizens’ councils should work alongside the commissions and act as a necessary counterbalance to the more interest-driven negotiations within commissions. This can be linked to similar efforts such as the High Climate Council in France or the Irish Citizens’ Assemblies. These formats have demonstrated the potential to develop sustainable approaches to action without citizens representing specific (vested) interests.

3. SUPPORT CIVIL SOCIETY CAPACITIES AS A SOURCE OF NEW IMPETUS

Strengthening civil society dialogue on socioecological issues is essential to enable integrated policymaking for a just transition. The various bottom-up activities should be strengthened and further developed, especially through longer-term project funding for cooperations between environmental, social and welfare organisations and trade unions. In addition, new structures are needed here as well, which can be used to consolidate the dialogue between different actors in the long term, for example in an **Environment & Social Forum**.

At the same time, civil society organisations must first develop respective capacities. This also applies to the necessary participation in policy co-creation. In order to establish shared socioecological discourses and capacities beyond their traditional demands and concerns, necessary processes of socioecological **capacity building** within civil society organisations must be supported by the government. This can be done through:

- **Financial support:** Existing funding instruments should be adapted to strengthen civil society actors in the development of socioecological approaches and to promote concrete cooperation projects. Internal strategy processes should be supported, and support should be provided for staff development and the targeted initiation of relationships between socially and environmentally oriented organisations. Funding should not only be project-based, but also support capacity building in the long term.
- **New communication channels:** The previous ministerial logic and the associated established channels of influence have so far made it difficult for civil society actors to propose integrated approaches to policymaking processes. The proposed reorganisation of structures at other levels (see recommendations 1 and 2) can not only help to restructure the civil society landscape itself, but can also create the new channels of communication that are needed.



Recommended further readings

Petschow, Ulrich; Sharp, Helen; Rioussset, Pauline; Jacob, Klaus; Guske, Anna-Lena; Kalt, Giulia; Schipperges, Michael; Arlt, HansJürgen (draft): Potentials, obstacles and perspectives of new alliances for social-ecological transformations – Environmental, trade union and social policy actors in the field of tension between different contexts, logics and visions of the future. Final report (German, with English abstract), UBA texts. Dessau: German Environment Agency (UBA).

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¹ Petschow, Ulrich; Rioussset, Pauline; Sharp, Helen; Jacob, Klaus; Guske, Anna-Lena (draft): see recommended reading above

² Heffron, Raphael J.; Darren McCauley (2018): What Is the ‘Just Transition’? *Geoforum* 88: 74–77.

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⁴ Schulze, Svenja (2018): Just Transition – Unser Weg zu einer sozial-gerechten Umsetzung des Parisabkommens. Speech to mark the upcoming 24th UN Climate Change Conference in Katowice, Poland, 29 November 2018. www.bmu.de/rede/rede-von-svenja-schulze-anlaesslich-der-bevorstehenden-24-un-klimakonferenz-im-polnischen-katowice

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⁶ Sharp, Helen et al. (2020): see recommended reading above

Thank you!

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