Global Governance 4 (1998), 295–316

The Privatization of Global Environmental Governance: ISO 14000 and the Developing World

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Voluntary codes of conduct for firms and private standards-setting bodies are growing in number and are increasingly gaining recognition and public status by states and intergovernmental organizations. This has led to a growth in what some have labeled as "mixed" regimes of a hybrid nature, whereby both states and private authorities are heavily involved in the creation and maintenance of international principles, norms, rules, and decisionmaking procedures. In such hybrid regimes, the boundary between public and private spheres is blurred.[1] In the environmental realm, the ISO 14000 series of environmental management standards recently adopted by the International Organization for Standardization (ISO) is illustrative of a hybrid private-public regime. These standards, intended to help firms take environmental considerations into account in all aspects of their operations by establishing an environmental management system (EMS) and other operation guidelines, were recently adopted by the membership of the ISO as official international standards. Though strictly voluntary for firms, the ISO 14000 standards are extremely important, as their impact goes beyond private industry. States are placing great hope in voluntary industry efforts to help improve environmental quality.[2] The ISO 14000 standards in particular are being adopted by standards-setting bodies in some states, either whole scale or in part, as national EMS standards. Moreover, these standards are now recognized by the World Trade Organization (WTO) as legitimate public standards and guidelines and in effect create an international ceiling for EMSs.[3] Industry has also been very supportive of the ISO 14000 standards, as it hopes that adherence to them may preempt, or at least soften, present and future state-determined environmental regulations.[4]

While industry-based voluntary environmental measures such as ISO 14000 have gained initial encouragement from public organizations, debates have emerged over whether they are actually capable of meeting environmental goals such as the promotion of clean production processes in both industrialized and less industrialized countries, as outlined in Agenda 21. Industry advocates see these new environmental codes of conduct as representing positive rather than negative incentives for good environmental behavior. Indeed, the ISO contends that the ISO 14000 standards promote the goal of achieving sustainable development as articulated at the UN Conference on Environment and Development (UNCED) by helping to improve firms' handling of hazardous wastes, encouraging clean production technologies, and facilitating the transfer of those technologies to developing countries.[5] Critics, however, see voluntary industry environmental standards as a new tool of industry to "greenwash" the public, while environmentally dubious practices persist, particularly in the developing countries of Asia, Africa, and Latin America.[6] The legitimacy of international standards-setting bodies such as the ISO to establish global norms for environmental behavior is also in question, especially when it is not clear that their membership and procedures are open and participatory.

Thus far there has been a great deal of attention paid to the impact of these developments for industrialized countries. But the ISO 14000 standards are also of particular concern for developing countries, which do not have as much representation in organizations such as the ISO as do industrialized countries. Moreover, as developing countries are increasingly seeking to achieve or sustain industrial growth and to break into or maintain their share in global export markets for their industrial products, there is growing global concern over the environmental consequences of this rapid growth. For these reasons, it is important to assess the impact of the ISO 14000 standards on developing countries.

In this article, I argue that the ISO 14000 standards are illustrative of a hybrid private-public regime. Alhough they are widely recognized by states and did involve some state involvement in their establishment, the process by which these standards were developed was dominated by private industry. The increased involvement of private authority in the setting of environmental standards for industry and their recognition by states and international organizations raise two serious issues for developing countries. The first is that the process of developing these standards has resulted in developing countries losing some of their voice in the development of norms for global cooperation on environmental issues. The second is that these standards are not likely to make much difference in terms of environmental quality in developing countries, as the promotion of clean production and the transfer of clean technologies from firms in industrialized countries are not required by the standards. In the first part of this article, I discuss the growing importance of nonstate authorities in international relations more broadly as well as with respect to industry-based voluntary codes of environmental conduct. In the second part, I discuss the roles of both private and public actors in the development and application of the ISO 14000 standards. In the third, I then examine the implications of the ISO 14000 standards for the developing world, particularly with respect to developing country participation in their establishment and the