Sustainable Consumption Institute Projects in China – Overview and Preliminary Findings

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The Sustainable Consumption Institute (SCI)

- Established in 2007 by the University of Manchester.

- Key goal of conducting ‘fundamental social scientific research’ across four critical intellectual areas: everyday practices; innovation; visions and politics of sustainable societies; new methodologies.

- Multiple collaborations with China including previous visits by Alan Warde to CASS and visiting fellowships for Prof. Dunfu Zhang, Prof. Maurie Cohen, etc.

  
  - Compare the institutionalisation of the Chinese organic and green certification schemes in two diverse supply chains (potato and dairy).
  
  - Evaluate transformations in the Chinese dairy supply chain from an environmental and food safety perspective following the 2008 Melamine scandal.
Household Expenditure on Dairy Products vs Population 1997–2018

China to overtake the United States as the world’s largest dairy market by 2017!

Source: Euromonitor 2013
Melamine Scandal and its Implications

Outcomes:

• One of the largest scandal “in recent history to draw attention to food safety protocols” (Ken Research 2013, p. 62).

• Six infant deaths, over 50000 hospitalised at a cost of 58m euros (Pei et al. 2011).

• Import bans; falling prices/stock prices/incomes; criminal proceedings…

Causes:

• Rising feed prices, declining milk prices.

• insufficient testing, effectiveness of certification, integrity of milk companies and farmers.

• Fragmented nature of dairy production….

Response:

• Substantial restructuring, consolidation at the production/processing stage.

• Emergence of highly integrated dairy companies with increasing influence across dairy consumption and production system.
Theoretical Framework

- Institutional change (Greenwood et al., 2002) plus arguments by DiMaggio (1988) and Battilana et al. (2009) on resource use and mobilisation of allies.

- Link to legitimacy (Suchman, 1995) and ‘focal’ power (Gereffi 1994; Huber 2008; Dewick and Foster 2011).

Source: Greenwood et al., 2002
Empirics

- Secondary literature review
- Documentary analysis
- Several site and fair visits and participation in relevant events
- Over 35 interviews with governmental, production, manufacturing, retail, certification and university experts
Summary of Main Findings

- National processors as ‘institutional entrepreneurs’ using their focal power’ to stimulate innovation in productivity and quality management
  - farm up-scaling; instructions for daily practices;
  - increased monitoring, inspection, testing etc. during milk collection and processing.

- Establishing and increasing dairy consumption.

- Governmental and international corporate actors as main allies.

- Main focus on food safety at the expense of other sustainability dimensions.
  - Greatly increased traceability and testing; yet still very heterogeneous structure; reliable monitoring remains a problem.
  - Some environmental efficiency improvements but overall increases in production.
  - Impact on farmers, etc.

- Lack of necessary “counter-power”?
Preliminary Findings – Organic Labelling
Organic Labelling in China

• China is on 3rd position in terms of total organic agricultural land (Lernoud et al. 2013) and fastest growing sector of Chinese agricultural production (Ken Research 2013).

• However, organic sector still in “early infancy” (Thøgersen and Zhou 2012) comprising less than 1% of agricultural land in China.

• Differences across supply chains!

→ Focus on potato and dairy
Theoretical Framework

Supply relations

- Primary Production
- Manufacturing
- Trade & Transport
- Retail

Labelling Organisation

Consumer relations

- Media
- NGO
- Government
- Civil Societal Groups
- Professional Buyer
- Individual Consumer

Moral, Pragmatic & Relational Legitimacy

- Traditional
- Regulatory
- Procedural
- Consequential
Empirics

- Secondary literature review
- Documentary analysis
- Several site and fair visits and participation in relevant events
- Around 40 interviews with governmental, production, manufacturing, retail, certification and university experts
Main Findings

• Both PCS face consequential (costs, knowledge, land access etc.) as well as procedural (incoherent certification) barriers.

• Powerful position of branded manufacturers coupled with high discursive prominence of food safety issues and “special” role of dairy products facilitated the diffusion of organic certification in the dairy PCS.

• Diffusion of organic certification in the potato PCS inhibited by lack of “key legitimacy” actors and lower discursive consequential attention.

• Product labelling organizers should take differences across supply chains into account.

• Theoretically, the findings re-iterate the importance of power issues in institutionalisation processes.
Outlook
Personal Outlook

- Drivers of change in the Chinese food production and consumption system with a particular focus on the role of retail companies.

- Evaluate and compare the institutionalisation of the Chinese Ecolabelling scheme.

- Evaluate and compare the institutionalisation of sustainability related product labelling schemes in China, including prospects for a high legitimacy carbon labelling.

SCI Outlook

- “Globalisation and consumer culture”, Prof. Alan Warde, SCI, and Dr. Zhu Di, CASS, funded by the British Academy.

- “Sustainable Water and Energy Consumption in China”, Dr Alison Browne and Dr David Evans, in collaboration with Unilever.

- Potential PhD studentships for outstanding international candidates.
Special Volume on “Transitions to Sustainable Consumption and Production within Cities”
Thank You!

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References


Lernoud, Julia; Willer, Helga; Kilcher, Lukas (2013): The world of organic agriculture. Statistics and emerging trends 2013. [14th ed.]. Frick, Switzerland, Bonn, Germany: FiBL; IFOAM.

