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# Governance by Labels

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#### **Abstract**

Many of today's public policies aimed directly or indirectly at regulating the behaviors of individuals and organizations provide for the implementation of a certain type of instrument which can be qualified as a label. They share some features with what the literature tends to identify as proper standards (e.g., they aim at defining the best practices, they may represent – at least – a symbolic resource for those who adopt them), but they also have some peculiarities, which we will present here. In this paper, we propose to analyze the characteristics and dynamics underpinning this mode of governance as part of a study of two particular public policy domains chosen for their complementarity as well as their contrasts: the fight against obesity, and sustainable consumption. In both of these fields, labels have become a preferred mode of governance – and even, we might say, a kind of standard. Based on Foucault (2004), we emphasize the fact that the logics of distinction, which regulate utilities and sanctions in a particular social field, are instrumentalized by public policy as an incentive to the actors to deliberately take action whose value is endorsed by a label. Hence, the aim and outcome of this mode of governance are not the uniformity of a field, but the ongoing creation of increasingly demanding labels that only some of the participants can hope to obtain.

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# **Governance by Labels**

#### Introduction

Many of today's public policies aimed directly or indirectly at regulating the behaviors of individuals and organizations provide for the implementation of a certain type of instrument which can be qualified as a label. They share some features with what the literature tends to identify as proper standards: they aim at defining the best practices and, more broadly, at regulating a sector or a social field (Brunsson/Jacobsson 2000; Timmermans/Epstein 2010); they are non-binding instruments and rely on voluntary adherence from actors or organizations (Brunsson 1999); they may represent – *at least* – a symbolic resource for those who adopt them (Segrestin 1997; Ahrne/Brunsson/Garsten 2000). However, labels also have some peculiarities. One major peculiarity which we will develop in this paper is the following: whereas standardization aims at harmonizing and unifying a social field in a direct manner (Bowker/Leigh Star 1999; Timmermans/Epstein 2010), the label as an instrument aims at playing on actors' willingness to distinguish themselves from other actors in the same competitive field in order to indirectly modify their behaviors in a definite – but *loose* – direction.

In this paper, we propose to analyze the characteristics and dynamics underpinning this mode of governance as part of a study of two particular public policy domains chosen for their complementarity as well as their contrasts (see below): the fight against obesity, and sustainable consumption. In both of these fields, labels have become a preferred mode of governance and even, we might say, a kind of standard. Labels can be granted, by public authorities or agencies that have become legitimate in the field, to items as diverse as mass consumer goods (e.g., eco-labels, healthy food products), public events (e.g., actions labeled in the framework of a "sustainable development week" or a "taste week"), public health actions or events, or towns (e.g., with regard to obesity and public health: "EPODE" towns and PNNS towns in France (Bergeron/Castel/Nouguez 2011).

Regarding the field of the fight against obesity, one is struck by the intensive recourse to labels. Consider the recent "Let's Move!" campaign in the United States (www.letsmove.gov). In France, the Ministry of Health and the agency in charge of health education and promotion, INPES, directly promote the "WHO (World Health Organization) City" label and the "PNNS (Programme National Nutrition Santé) City" label (Direction Générale de la Santé or DGS). The French Ministry of Health as well as the European Union also grant some for-profit-firms the privilege of using their names. The PNNS, a French government policy in the same area, has itself become a label, used to endorse what it considers "good actions." Public relations and prevention operations designed to induce consumers to turn toward trusted (label-bearing) products need to be "labelized" themselves. This way of saturating the field with labels is perhaps an

indicator that major reshuffling is underway – an indicator, then, of intense uncertainty about the quality of the (new) actors investing the field and the (new) services and products circulating in it.

The policy domain of sustainable development also provides some good examples of the proliferation of labeling activities. The French Ministry of Environment or its technical agency, the Agency for the Environment (ADEME) are contributing to label products, but organizations such as companies and even events are also doing so in order to signal their effort towards lowering their impact on the environment. In addition to the eco-labeling public policy – which is designed as an information signal to consumers – the government also organizes a week dedicated to sustainable development activities. Cities or organizations from civil society may propose public events that can be selected as "events for the week of sustainable development" as long as they are dedicated to a broad audience and contribute to the education of citizens. Such events benefit from the publicity provided by the government and may use the logo of the Ministry on their different advertisements. The Agency for the Environment created a program for companies which endorsed activities benefitting the environment (such as reducing waste, increasing recycling, and developing eco-design practices) that allows them to be labeled by the Agency and use the logo of ADEME on their public documentation or advertising policies.

In this paper, we propose to focus on one program from each of these public policy domains: a program preventing child obesity, and the French eco-labeling program. However, we will also offer insights into other significant initiatives in both fields. Our analysis will proceed in three steps. The first section presents our research methods. The second describes both programs of labeling and the mechanisms on which they rest. The third and last section concludes by identifying some characteristics of this mode of governance and analyzing what this mode reveals about the broad transformations of public policies and, more particularly, about the (welfare) state.

#### Methods

#### A research program

This paper is part of a larger research program<sup>1</sup> aimed at analyzing the contemporary mode of government of consumer behavior. This mode of government is based on public policy interventions as well as on market mechanisms. In line with some Foucauld-

Since 2009, this program, entitled "Gouverner les conduites des consommateurs: la politique de consommation durable et la lutte contre l'obésité," has been under the supervision of Sophie Dubuisson-Quellier (CSO) and has been funded by the French National Research Agency.

ian analyses about governmentality (Miller/Rose 2008), especially in the field of environmental policies (Rumpala 2009) or public health (Bunton/Nettleton/Burrows 1995; Tesh 1988; Armstrong 1995; Petersen/Bunton 1997; Thanem 2009), the starting point of this program is the observation that, in most Western countries, many different public interventions aim at enhancing individual autonomy (under control) in order to govern citizens' behavior and choices. These interventions are expected to contribute to governing individual behaviors, due to their anticipated negative collective consequences, in a context where autonomy is required.

Policies against obesity and policies favoring sustainable consumption are two cases that illustrate such a trend. Even if the two fields were chosen because they also seem to differ from each other in some aspects (and, indeed, we did observe some empirical differences), the criterion for both choices was a specific kind of policy instrument and tool that we observed and which was conceived of as a central regulating device in both fields: labels.

From a theoretical point of view, we combined an organizational perspective and economic sociology with a political sociology approach to public policy instruments (or tools) in accounting for processes of public policy change (Lascoumes/Le Galès 2007; Hood 1986). On the one hand, we studied forms of cooperation and competition between public, private, and associative actors in the process of government. On the other, we tried to account for and specify the diversity of instruments (market instruments, communication, and education devices or contracts), which are developed by all these actors.

# EPODE: A private program to fight a public problem

Among the wide range of preventive and curative actions that have been developed to combat excess weight and obesity, providing information and education on individuals' – and particularly children's – health is now considered essential. In France, health education campaigns are run by all sorts of national and local prevention actors: the Institut National de Prévention et d'Education pour la Santé (hereafter INPES); département-level health promotion organizations; specialized, private-status not-for-profit associations as defined by France's Law of 1901; département-level services for the protection of pregnant women, new mothers, and children; Ministry of Education services; municipal health and hygiene services; national public health insurance services; complementary health insurance organizations, etc. But one particular prevention program caught and held our interest: "Ensemble Prévenons l'Obésité des Enfants" ("Together let's prevent obesity in children"), hereafter called EPODE. Designed and run by professionals in the fields of nutrition, management, and marketing who work through a private social marketing agency, and funded by contributions from towns and cities enrolled in the program as well as by subsidies from partner companies, some

of which belong to the food and mass marketing industries, EPODE has managed to acquire a key position in shaping and developing arrangements for detecting and preventing child obesity. Its success can be summed up in a few figures. From 2004 to 2011, the number of French cities enrolled rose from 10 to 226, including Paris and Lille. Several other countries and regions of the world (Australia, Mexico, Belgium, Spain, and Greece) have also taken up the experiment, enabling program promoters to claim that no less than four million people are concerned. Moreover, the European Commission – specifically, the Directorate General for Health and Consumer Affairs or General Directorate Health and Consumer – was quickly won over by the experiment and has hired EPODE to develop good practices guidelines to be used in local obesity prevention policy throughout the EU, the idea being for it to serve as a cognitive and normative basis for implementing similar policies in all European Union cities (www.epodeeuropean-network.com). Last but not least, it has come to be recognized as a potentially influential initiative by the Obama Task Force against obesity "Let's Move!" Thus, all in all, the program has acquired a kind of transnational legitimacy.

Since our purpose was to understand the mechanisms through which this private operator assumed importance and influence in the public health arena, it was important to collect and understand actors' individual, subjective perceptions of the program and its ways of proceeding, and to discover the structure of those actors' informal relationships. This is why, in addition to examining materials developed and disseminated by the program, types of actions carried out, and official documents and reports, we chose to conduct a number of in-depth, semi-directive interviews. Systematic, reiterated comparison of actors' viewpoints, duly related to the more factual data we have also analyzed, enable us to identify and circumscribe the regularity of certain action dynamics and approaches and thus to go beyond a mere accumulation of idiosyncratic opinions (Crozier/Friedberg 1980).

Given the program structure, we chose to focus the investigation at two interdependent levels: national and local. At the national level, the point was both to understand the strategy<sup>2</sup> of the program promoters and their interrelationships as well as their relationships with their main partners and other institutions in the field. We therefore questioned managers in charge of the not-for-profit association and the private business running the program, some of the scientists with whom those managers work within the framework of the program, industry representatives involved in funding the program, and actors involved in the Plan National Nutrition Santé (PNNS) at the DGS and INPES. At the local level, we chose only cities that had been enrolled in the program for at least a year so that we could observe how the program was being implemented. We selected four towns which were different enough that we could reasonably hope that a comparison would be productive: three towns with high rates of excess weight

In the broad sense that Crozier and Friedberg (1980) give the term: i.e., reconstructed by the researcher and not necessarily implying actor awareness.

and obesity in children and one with low rates. The idea here was to study whether local dynamics for implementing the program differed by the degree of significance that the problem seemed to have. Furthermore, two of the towns with high levels of excess weight and obesity are small towns; the other is medium-sized – the point being to measure whether the amount of municipal resources influenced the nature of program implementation. For each town studied, we questioned many of the actors directly or indirectly involved in the program, both those participating in program enactment and those who did not wish to participate in it – despite program members' uniform desire to have them do so. We tried to reconstruct the system of informal relationships found between these local-level actors as well as relationships between local officials and national program coordinators. In each of these locales, we interviewed elected town officials and town administrative workers, doctors and nurses, community organization actors, teachers, and representatives of the state services operating at the regional level as well as representatives of regional health and social affairs bureaus (DRASS) and regional public health authorities (GRSP). In each locale, between 30 and 50 interviews were conducted making a total of 123 interviews (Bergeron et al. 2011).

# The French policy on sustainable consumption

The notion of sustainable consumption was considered, at the World Summits, to be at the core of sustainable development issues. During the Rio Conference of 1992, sustainable consumption was identified as a crucial solution to decrease human pressure on the environment. The Johannesburg World Summit of 2002 led to several recommendations regarding national sustainable production and consumption policies. Like many other Western countries, in 2003, France developed a national policy on sustainable development which specifically mentioned sustainable consumption as one of its main priorities. But in fact, this policy really developed in the context of the presidential election of 2007, when many social movements were very critical about the place of consumption in economic development (Dubuisson-Quellier et al. 2011). During the campaign, several environmental NGOs forced the different candidates to place environmental issues on their electoral programs by asking them to present their main proposals during a conference which they organized and which the media echoed. The newly-elected president, Nicolas Sarkozy, whose proposals were rated badly by the NGOs, decided to take up some of the NGOs' recommendations, convinced that the great notoriety which environmental issues had acquired within public opinion would open up interesting political opportunities for him. He created a large ministry for the environment which was placed first in the government hierarchy and initiated a conference (hereafter called Grenelle de l'environnement) on environmental issues which created, in return, large political opportunities for environmental NGOs to diffuse their ideas and proposals into governmental action. Two of the main instruments that were developed for sustainable consumption policies – a tax instrument and a project of

environmental-impact labeling – emerged from the Grenelle de l'environnement. A tax instrument called bonus-malus was designed to create economic incentives for consumers to buy low-carbon emission cars. The idea is to tax cars with poor environmental performances and, conversely, to reward consumers who buy cars with good environmental performances by offering them a tax rebate. A project of environmental-impact labeling was designed based on two pillars. A legislative pillar inscribed into law the right for consumers to be provided with information on the environmental impacts of all mass-consumption products. Such information should be based on a multi-criteria approach to the impacts' assessment (carbon emissions should not be the only impact assessed) and on a life-cycle analysis (the impact assessment should also take the consumption stage into consideration). The law plans that the environmental labeling standards should be determined by a large consultation including all stakeholders (firms, business associations, state, civil society). These two new instruments are associated with other existing instruments which have consequently been generalized and emphasized and which lie at the core of the argument: the eco-labeling policy and the use of contractual instruments with economic actors.

The development of a French policy on eco-labeling started at the end of the 1980s, and its main aim was to stimulate companies by endorsing efforts to lower the environmental impacts of their products. The idea was to use the market as an arena for companies to signal those efforts and obtain economic rewards. As such, its purpose is to orient companies' practices by transforming the environmental properties of products into strategic differentiation. The Ministry for the Environment manages the program of defining the criteria for attributing the label and also takes charge of the communication policy to educate consumers about the eco-label. The government was encouraged by the national success of labeling schemes such as the Blue Angel in Germany and the Nordic Swan in the Nordic countries, although the market shares for eco-label products are still small in France compared to these countries. Two eco-labels are available in France: the French eco-label, called NF-Environment, is a private brand which is managed both by the French Agency for the Environment and the French Agency (ADEME) for Standardization (AFNOR); companies may also use the European ecolabel. The European committee for the eco-label manages to avoid double eco-labeling by favoring eco-label projects for which a national eco-label does not already exist. The methodologies used for eco-label standard building furnished the matrix for the recent development of the environmental-impact labeling project mentioned earlier.

The other set of instruments stems from contractual arrangements between the state and economic actors which commit companies to making efforts to reduce their environmental impacts (in waste management, transport, building, energy or eco-design). Several of these contracts have been signed, either with companies or with business associations. The state will organize press conferences to publicize the signature, but

it will also patronize some events that are related to the contract, or it may permit the logo or some of the campaign slogans developed by the Ministry for the Environment or ADEME to appear on some commercial documents.

In order to assess this sustainable consumption policy, we carried out a field study and gathered three types of data. The first type consists of all the documents and discourses produced by the two main actors involved in this policy: the department in charge of the policy at the Ministry of the Environment (hereafter CGDD) and ADEME. Both produced abundant documentation in the form of surveys and reports aimed at promoting the main instruments of the policy, but also at evaluating their impacts and diffusing data on the environmental impacts of consumption and change in consumption behaviors. The second type of data consists of interviews conducted with all the public actors in charge of this policy (n=28), which we complemented with interviews with firms, NGOs, and consultancy companies that were involved either in the design of policy instruments, consultation or partnerships for the promotion of sustainable consumption (n=20). The third type of data includes press articles and parliamentary debates relating to the subject of sustainable consumption.

#### **Case studies**

#### **EPODE**

We will show that the program's power derives a great deal from its label, which has become a kind of flag for community organizations to rally round. While many EPODE activities are modeled on interventions and events that already existed at the national level, such as "taste week," and although program promoters seek to develop their own new actions (above all, supervised activities and interventions in the classroom), many obesity prevention activities had initially been organized by not-for-profit associations, Ministry of Education employees (nurses, teachers and school cafeteria directors in particular), and child day-care centers. These activities may well have already been in place before the municipality contracted with EPODE. In fact, these groups and organizations agree to use the EPODE label primarily because they hope it will help them catch the attention of the local press and thus win greater recognition for their own actions and receive more support from the other institutions in exchange. Being included and integrated into the program thus constitutes a strategic resource similar to the one provided to companies by norms and standards: actors can promote actions they consider important more effectively if they refer to the EPODE program than if they mention only their own competence and skills:

I'm telling you, we didn't have to wait for EPODE to do EPODE ourselves. What's good is that it gave us some resonance. In the end we realized that [what we were doing] was really part of the program: athletic games, getting the children to move. ... What was new was that we got recognition for what we were doing. We're better known. It's easier to get material when you're better known. We've got a reading workshop. We were able to get money for books on diet, DVDs. It's easier. (Activity leader of a noontime children's play center)

I'm going to run EPODE activities to get [our] association better known and show what we know how to do. Because there's a big [negative] story about this neighborhood. It's to show another image of the neighborhood, to give it value. (Leader of a children's play activity association)

In this way, the EPODE label actually works to desingularize the EPODE project, situating it within a vaster – and more legitimate – collective. Because EPODE is able to bring together local initiatives and get them working around its own label, it represents an important resource for mayors who want to show how committed they are to serving their fellow citizens. In exchange, those mayors have played (and continue to play) a fundamental role in institutionalizing and diffusing the program.

The program has thus acquired legitimacy through its ability to bring together and aggregate a network of actions and local initiatives around its label. But in order for that label to be judged effective and useful by local actors and for EPODE to continue to grow, it seemed necessary to its promoters to link the program to other national and European Union institutions and labels. The full set of logos for these support sources is displayed on official EPODE brochures. EPODE actors heavily stress the support their program has received from institutions as diverse as city and town governments (via city enrollment in the program, with those cities then immediately joining the "EPODE city club"), mayors (the "EPODE mayors' club," via the Association des Maires de France), the European Union (via the DG - Health and Consumer), the French state (via the Ministry of Health and Sport, the Ministry of Education, the Ministry of Food, Agriculture and Fishing, the state ministry for Urban Affairs and Renovation, and the PNNS), and "science" (via EPODE's links to scientists working in the common research framework it has developed, as well as its ties to the Académie Nationale de Médecine, the Société Française de Pédiatrie, the Association Française de Pédiatrie Ambulatoire, and the scientific papers published in those organizations' medical journals). We will thus stress the importance in the institutionalization process of winning the solidarity of these other labels and the support of united actors. The decisive contribution made to the institutionalization process by the institutional ties these entrepreneurs were able to develop patiently over time is clear: EPODE quickly found itself embedded in a vast fabric of institutions and supports, which its promoters were then able to closely identify with their own activity; institutions and supports that then, in crisscross fashion, furthered the institutionalization of the EPODE program. The main objective of EPODE is to develop a network of actors and organizations (not-for-profit community organizations, schoolteachers, social workers, food retail shops, etc.), united behind the

same label that will convey the same kind of preventive messages to families and children: in what can be identified as a kind of inverse panoptic, EPODE's actors encircle individuals to get them change their deleterious behaviors.

At a national level, EPODE as a label has become one of the policy tools that the Ministry of Health uses to get local municipalities and actors involved in the fight against excess weight and obesity: each municipality that has successfully implemented an EPODE program is granted the PNNS's public label, and the bearer of such a label is identified as an actor that has demonstrated a strong political commitment and deployed "modern and rational" policies. What is interesting is that the endeavors made by municipal actors – and in particular, mayors – in order to acquire the PNNS label are not driven by their willingness to conform to appropriate institutional norms, but on the contrary, are based on their attempts to signal to their environment that they are different, "more modern and rational" – in short, in exactly the same way that local community field actors seek to get their actions labeled by EPODE in order to distinguish themselves from other traditional public health actors.

Implementing policy tools (like labels) that play with the very social dynamics and logics of actors whose behaviors one wants to transform is not limited to municipal actors. It occurs in corporations and firms as well. Actually, the French Ministry of Health has developed what it calls the Chartes d'engagement volontaire (Voluntary charters), whose basic principle is the following: the Minster agrees to sign a charter with a (food) industry (or the other way round!), in which the firm commits itself to achieving some mutually agreed-up, health-beneficial objectives – such as the attainment of a certain level of salt, sugar, fat, etc. in the composition of their products by the year X. In exchange, the firm is entitled, although under quite strict conditions, to use the logotype and the associated signature of the Charter in its communication policy. EU Directorate General Health and Consumer does not depart from this trend: it has its own "obesity and overweight platform," both a tool and a policy arena dedicated to negotiating and boosting food industries' "healthy commitments," whose counterpart is the permission for engaged firms to use the Health and Consumer General Directorate's label in their communication and promotion strategies (again, under some quite restrictive conditions). Finally, be it at the municipal, national, or European level, the rationale behind this particular form of policy instruments remains the same: to play on the desire of actors to distinguish themselves from their peers in the (political, symbolic, social, or economic) competition that they are engaged in, in order to make them change their behaviors and practices.

# **Eco-labeling**

Echoing some of the mechanisms at play in the case of EPODE and the voluntary charters presented earlier, some of the instruments used in the sustainable consumption policy also play on distinction and the isomorphic mechanisms at stake on markets. The eco-label is a standard that defines the requirements a product should fulfil in order to use the logo of the French eco-label (NF-Environnement) on its packaging. The instrument was designed as a solution for economic actors to create value from their efforts toward increasing their environmental performance by benefiting from a kind of "state certification." The state organizes the conditions through which companies can benefit from strategic differentiation by allowing only a few of the products within an industry to use the eco-label.

The specifications of the eco-label instrument are threefold. The first specification is related to the principles that underpin the policy. The label must be selective: this means that a real differentiation should operate on the market, and the level of requirements included in the standard should result in a dramatic selection within the supply. The idea is that the requirements should be set in such a way that only 20 percent of the products from this category on the market can fulfill them: if this proportion is higher, it means that the standard is not selective enough. The idea, which was at the core of the development of this public policy instrument, is to reward (through the market) only strong efforts regarding environmental performance.

Oh yes, I fought for this. The eco-label must be selective. But this was not so easy. Business associations were mad about that. They were used for standards, for consultation at AFNOR, which leads generally to a standard with which everybody can comply. But we wanted to be selective ... elitist, yes. (Person in charge of the promotion of eco-labels, Ministry of the Environment)

Another requirement of the eco-label is the plurality of criteria on which the standard should be based. The environmental impacts of the product are to be assessed through several (generally three) types of impacts – not only the carbon footprint of the product – and the methodology for assessment should involve life-cycle analysis (LCA) in order to take into consideration all the different steps in the life of the product, from the extraction of raw materials to the recycling of the product. These very demanding specifications are also aimed at restricting the number and type of products, which may obtain the eco-label, since these products must have a low impact based on several criteria and during their whole lifetime, from cradle to grave. In this way, public actors intend for the eco-labeling strategy to represent a first move, which will help companies engage in the environmental-impact labeling mentioned earlier.

The second specification concerns the process of constructing the standard. Any company may apply to the "label committee" created for this selection task by presenting an eco-standardization project for a specific category of existing consumer or professional

products (shampoo, coffee makers, garbage bags, paints, etc.). The project includes a market survey which is aimed at providing an evidence-based demonstration of the product's market potential (showing that the eco-labeled supply will meet with strong demand), a presentation of the company's environmental strategy, a demonstration of the capacity of the standard to distinguish eco-friendly products on the market, and some proposals about the criteria that should be used for the standard. The committee, which consists of three types of stakeholders (manufacturers and retailers, consumer advocates, and government and public agencies), evaluates the proposal, and both the agency for standardization and the agency for the environment assess its technical feasibility, define the criteria and coordinate a working group in which the business association can participate. Once the standard is published, an independent certifying company monitors the use of eco-label market signals by companies pretending to comply with the standard.

The third feature concerns the mechanisms on which the instrument intends to play: competition and mimetic dynamics. The standard only remains in place for a short period and is re-evaluated every three years. This mechanism is aimed at ensuring that companies make constant progress on their environmental product policies. Once a standard is published, as mentioned, it allows for only 20 percent of the supply in the product category to be distinguished; but within a few years, more and more products may comply with the standard, increasing the market share of eco-labeled products. By making the standard more demanding, the committee keeps the label very selective and obliges companies to improve their environmental performance. The eco-labeling policy is clearly based on mimetic isomorphic mechanisms, but also on competition mechanisms that create incentives for firms benefiting from differentiation through the eco-label to keep their strategic advantage in the market. Public action is based on the assumption that a company which invests in building the standard has a great interest in maintaining its differentiated status, while challenger companies will try to comply—either to benefit from the differentiation, or to make it disappear.

Yes, the standard must regularly be improved to take into consideration technological innovations, or new raw materials that will be on the market, like bio plastics, or compostable polymers, and so on ... And also to stay ... one has to keep in mind that we need to remain selective! ... The eco-label cannot be given to ... more than 20 percent of the products on the market. Everybody cannot be eco-labelized. Then, we need to revise the criteria upwards, otherwise it is too easy. Our goal is to pull up the market. (Person in charge of eco-labeling, ADEME)

Of course, such an instrument cannot be as efficient as regulatory instruments, which may be based on high requirements and enforce companies to comply with them. But the assumption made by public actors is that the label temporarily creates a competitive dynamic which may motivate innovators, who will then make efforts regarding their environmental performance and also stimulate challengers to imitate them. It creates incentives both for incumbent and challenger companies, and relies on the propensity of companies to imitate each other (Fligstein 2001). The instrument presupposes a

strong involvement by the state to legitimate the label as a specific market device (Callon 2007) that is asked to have a higher credibility than all other market devices, especially commercial brands. Companies – which predominantly remain reluctant to adopt an instrument they consider costly and insufficiently identified by consumers – have, for several years, been asking for a larger commitment by the state in the promotion of eco-labels. In 2010, for the first time, the Ministry paid for a TV advertising campaign. Its decision was less committed to the idea that such a campaign could be heard by consumers, considering its impossibility to compete with the financial resources of the private sector; much more, it was intended as a proof of its strong involvement towards companies. The ministry also provides companies, especially retailing companies, with different communication devices promoting the eco-label, which they may use in their prospectuses or directly on the shelves.

This idea of playing the market – namely, of relying on the propensity of companies to both differentiate from and imitate each other (Dubuisson-Quellier 2012) – is also at the core of the contracting instruments of the sustainable consumption policy. As mentioned earlier, several contracts have been signed by the state with companies or professional associations that have committed to increasing their environmental efforts in a specific aspect of their processes. For example, a retailer agreed to decrease its quantity of waste and develop eco-design processes for the products sold under its own brand name; a national sports association agreed to organize solutions for its practitioners to bring back used sports materials to clubs; a retailer agreed to replace all its supermarkets' open cold stores with closed-window cold stores. These contracts are numerous, but they are developed with caution in order to bank only on companies or associations that are thought to have the capacity to stimulate their whole industry or profession.

What are we looking for? To make the whole industry progress. When we signed the convention with X, we considered X has the capacity to have a lever effect on the whole industry. If you take this convention, we helped them to implement their own diagnostic tool, we also participated in the jury to reward their best suppliers. This got large repercussions. For their suppliers, for the company, but also in the media, the professional journals echoed their initiatives, we also communicated about this operation, and even the suppliers who received awards for their efforts benefited from this communication, so it's not only the retailing sector that have been concerned but also all manufacturers of mass consumption products. (Person in charge of partnership, ADEME)

For companies, these contracts allow them to use some of the communication tools of the state and then benefit from the legitimacy of public actions. The media will show the Ministry's presence in their facilities or stores; they may use some of the slogans of public campaigns on climate change and sustainable consumption policy, or even the logo of the public campaigns (more rarely, the logo of ADEME). This legitimacy, in the form of patronization by the state, is then used as a strategic differentiation device that leading companies in an industry are seeking.

#### **Conclusion**

The proper name EPODE (and those of other labels we have briefly mentioned above) and the French eco-label have thus become "labels" in Pierre François's sense (François 2011): an "empirical proposition" becomes a label – or an institution – when actors regularly turn to and use it as a pre-existing framework of experience that orients their judgment and action, particularly when they need to make choices in situations of uncertainty. The EPODE label has an obvious normative dimension, since it prescribes what various actors (mayors, local actors, EU actors, etc.) should decide and do in a highly varied set of situations (transposability) and is regularly used by those actors as a means of recognizing and gaining recognition for the seriousness and professionalism of the actions carried out within its framework. In the case of the eco-label, the results are less simple, most probably because of the use of different words: for historical reasons, such as the NF-environment brand which public opinion considers to be a standard, and the European eco-label which public opinion does not connect to the state. But obviously, the state is seeking lever mechanisms that could come from the very competitive nature of the market – which leads to the propensity of economic actors to look for differentiation and distinction.

The specific characteristics of a mode of governance by labels are evidenced in its ability to play on the social dynamics peculiar to certain social environments, and especially on the actors' freedom and their wish to position themselves by distinguishing themselves in a particular competitive field, be it markets or worlds of reputation. The aim would be to orient them towards options that public policy actors – especially the state – consider to be collectively beneficial. The literature has clearly shown the unanticipated effects of processes of standardization (Brunsson/Jacobsson 2000; Brunsson 1999; Timmermans/Epstein 2010; Borraz 2007). Among these unanticipated effects, it has been shown that, paradoxically, standardization can be at the root of a diversification of the practices and organizations within a field, through local adaptation of standards during their implementation (Brunsson 2000; Timmermans/Berg 1997), and through the opportunities for strategic differentiation that they afford (Segrestin 1997; Castel/ Friedberg 2010; Castel 2009). In the case of labels, we show that this mode of governance plays precisely (and deliberately) on this ambivalence. It is hoped that a standardization of practices will result from an individual wish to stand out in a competitive market through the acquisition of labels. Based on Foucault (2004), we emphasize the fact that the logics of distinction which regulate utilities and sanctions in a particular social field are instrumentalized by public policy as an incentive to the actors to deliberately take action whose value is endorsed by a label. Hence, the aim and outcome of this mode of governance are not the uniformity of a field, but the ongoing creation of increasingly demanding labels that only some of the participants can hope to obtain. We would argue that whereas the cognitive model of standards is (partial) organization (Ahrne/Brunsson 2010), labels play more on (partial) market mechanisms.

Governance by labels is singular and interesting insofar as it enables public actors — especially the state — to identify a policy orientation without the necessity of giving precise content to the practices identified as virtuous. It can (at least initially) leave it up to the actors concerned to define these practices themselves or to propose some of them. We can posit that the domains of the environment and public health, which are characterized by a strong indeterminacy of knowledge and the difficulty of identifying best practices, are particularly well-suited to the implementation of this mode of governance. But these are also fields in which aggressive regulatory policies could prove to be particularly costly, at least in the short term, in terms of competitiveness and employment.

Finally, the social dynamics that governance by labels is designed to activate resemble those of "security devices" in a Foucauldian sense: governance by labels acts on individuals' autonomy. What is interesting in our case is that labels play on autonomy to produce heteronomy. That is why it does not seem to reflect a disengagement of the state in these areas as much as an increasingly broad investment, especially in individuals' behaviors.

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