

## Sustainable Consumption Institute Projects in China – Overview and Preliminary Findings



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## Overview



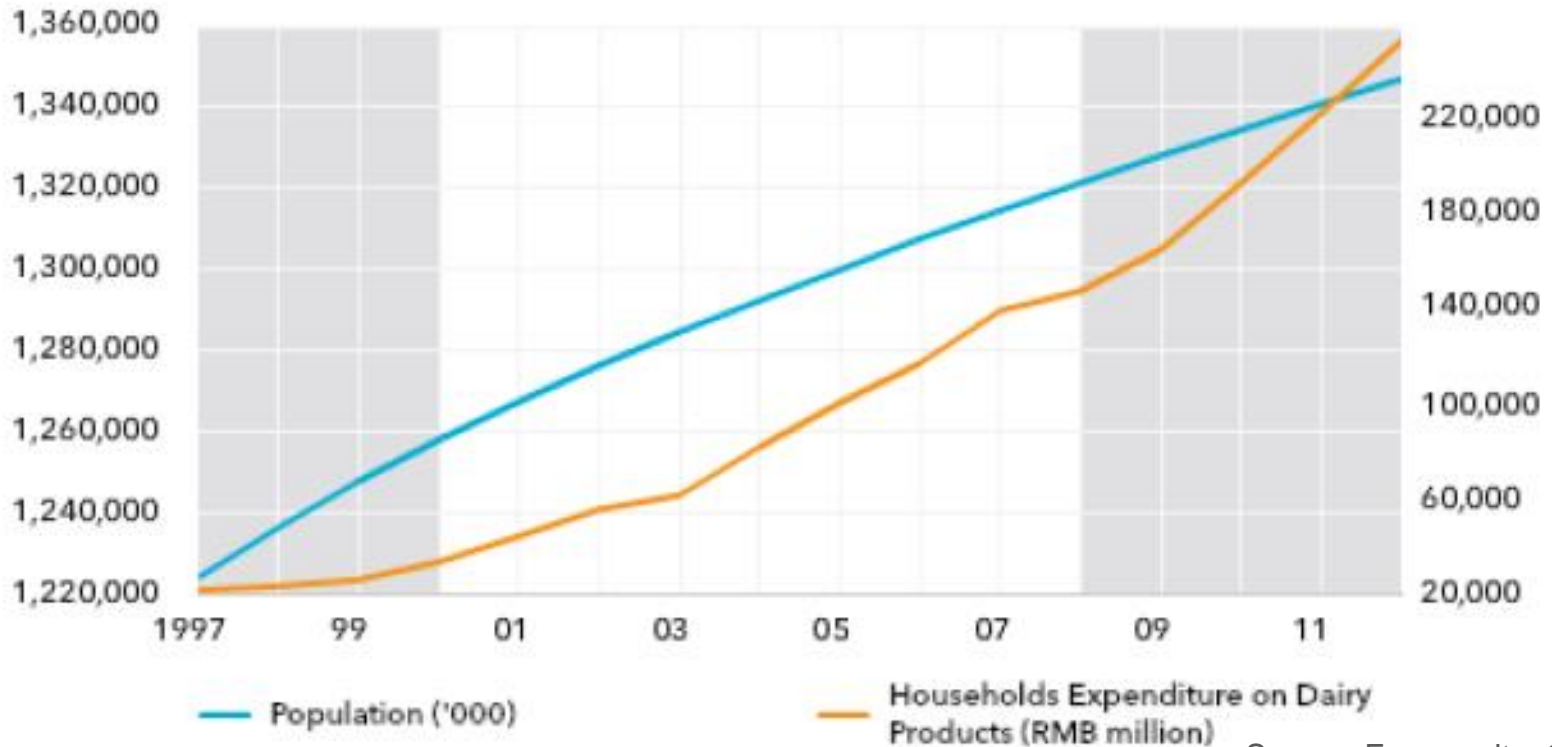
## The Sustainable Consumption Institute (SCI)

- 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.
- Research collaboration with the Fudan Tyndall Centre for Climate Change Research on “Institutionalisation of Sustainability-related Product Labelling Schemes. The case of carbon labelling in the People’s Republic of China”, April 2013 - June 2015.
  - 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.

## Preliminary Findings - Dairy Case



## Household Expenditure on Dairy Products vs Population 1997–2018



Source: Euromonitor 2013

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

## 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:

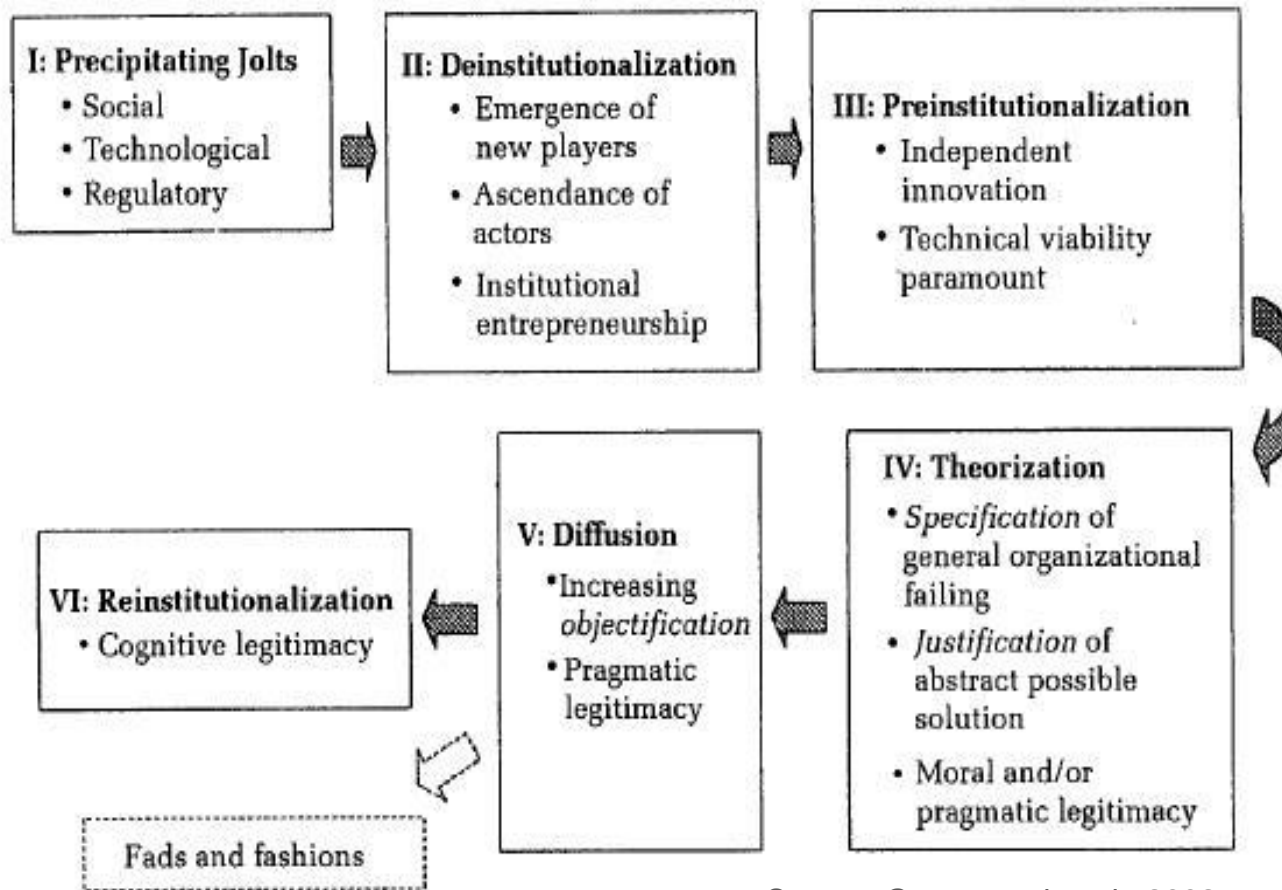
- Rising feed prices, declining milk prices.
- insufficient testing, effectiveness of certification, integrity of milk companies and farmers.
- Fragmented nature of dairy production....

### 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



Source: Greenwood et al., 2002

- 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).

## 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”?

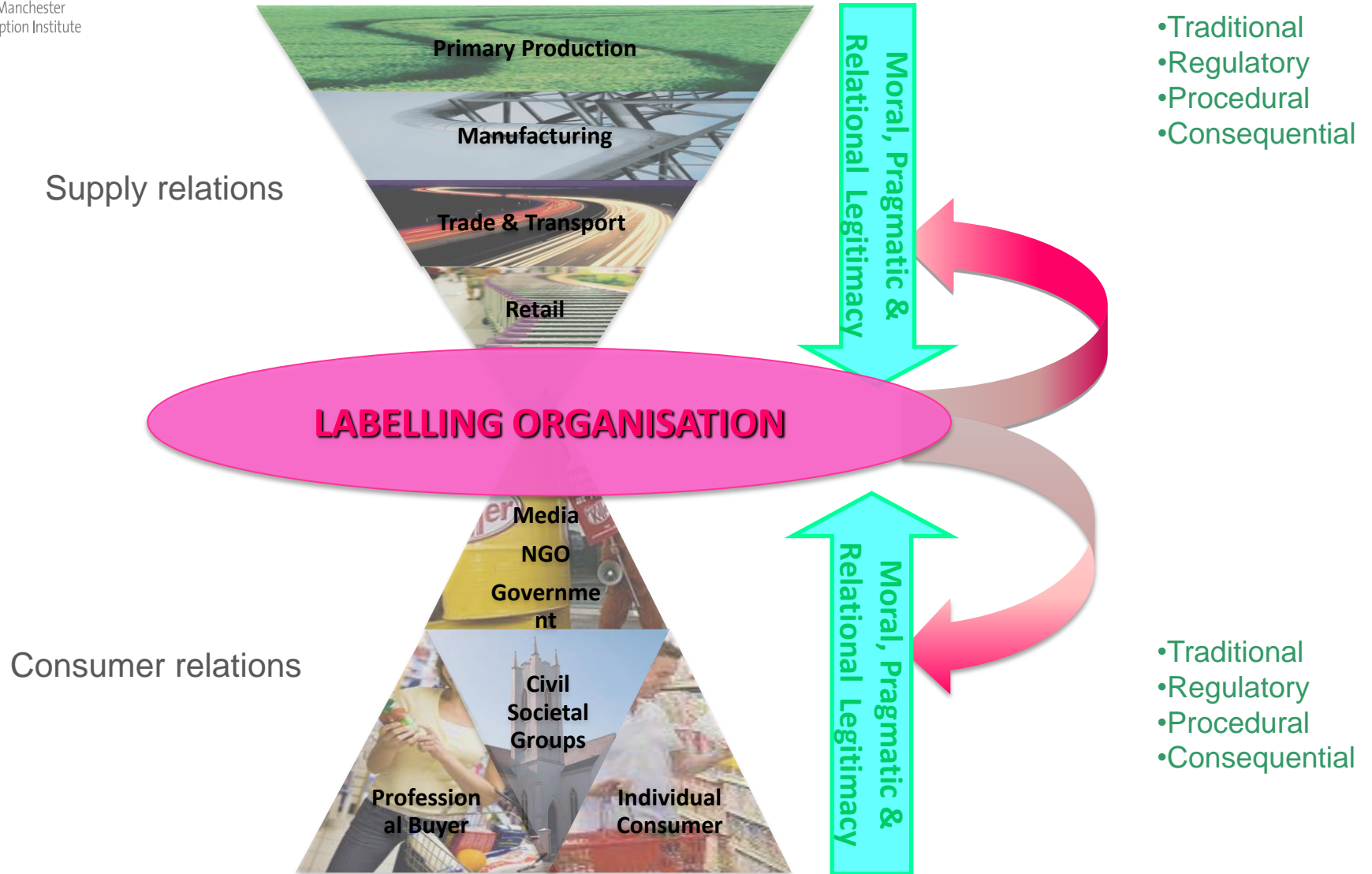
## Preliminary Findings – Organic Labelling



## 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



## 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

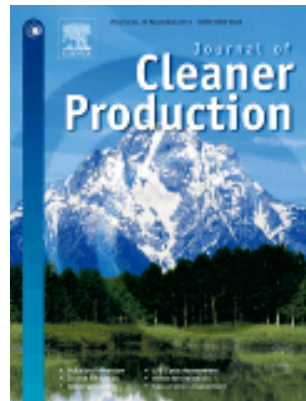


## Personal Outlook

- 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”

<http://www.journals.elsevier.com/journal-of-cleaner-production/call-for-papers/special-volume-on-transitions-to-sustainable-consumption-and/>

**Thank You!**

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