

The Politics of Climate Instruments: Investigating Policymakers' Belief Systems in EU Climate Policymaking

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Abstract: Common policy process theories underrepresent the politics of policy formulation, and ignore instruments as normatively charged meaning structures. We applied the belief systems approach of the Advocacy Coalition Framework (ACF) to analyse the European Union's (EU) multi-level climate policy-making in the realm of the EU's Emissions Trading System (EU-ETS), to uncover EU and German policymakers' beliefs. Our results demonstrate that climate policy is politicized through instruments, despite goal-unanimity. In five 'worlds of thought', we explicate 'appropriate' solutions (instrument belief) as part of implicit ideational frames, constituted by a problem-representation (policy-core beliefs), and visions of a climate-mitigated world (deep-core beliefs). The main cleavage moves around the state-market relationship, between *carbon pricing purists* and *more helps more* policymakers. Many *former purists* accept a policy mix after 'instrument-based learning'. Discursively marginalized degrowth-supporters back the ETS pragmatically, while other *false-flag* policymakers support it rhetorically, but undermine it for industry protection.

Keywords: climate policy, policy instruments, instrument beliefs, Advocacy Coalition Framework, belief system approach

Die Politik der Klimainstrumente: Eine Untersuchung der Glaubenssysteme politischer Entscheidungsträger in der EU-Klimapolitik

Zusammenfassung: Gängige Theorien über Policy-Prozesse unterschätzen den politischen Charakter von Politikformulierung und von Policy-Instrumenten als normativ aufgeladene Sinnstrukturen. Wir nutzen den Belief-Systems-Ansatz des Advocacy Coalition Framework (ACF), um Überzeugungen von EU- und deutschen Entscheidungsträger:innen in der Klimapolitik am Beispiel des Europäischen Emissionshandelssystems zu analysieren. Die Ergebnisse zeigen, dass Klimapolitik trotz scheinbarer Zieleinigkeit durch ihre Instrumente politisiert ist. In fünf ‚Denkwelten‘ explizieren wir Vorstellungen von ‚angemessenen‘ Lösungen (instrument beliefs) als Teil ideeller Rahmen, die sich aus einer Problemwahrnehmung (policy-core beliefs) und Visionen einer klimamitigierten Welt (deep-core beliefs) zusammensetzen. Der Hauptkonflikt entfaltet sich um das Staat-Markt-Verhältnis zwischen *Kohlenstoffpreis-Purist:innen* und *Mehr hilft mehr*-Politiker:innen. *Ehemalige Preispurist:innen* befürworten nach ‚instrumentenbasiertem Lernen‘ einem Policy-Mix. Diskursiv marginalisierte Degrowth-Unterstützer:innen unterstützen das Europäische Emissionshandelssystem (EHS) aus Pragmatismus, während andere Akteure das EHS rhetorisch stützen, aber faktisch zugunsten von Industrieschutz untergraben, also unter *falscher Flagge* segeln.

Schlagwörter: Klimapolitik, Politikinstrumente, Advocacy Coalition Framework, Politisierung, Instrumentierung

1 Introduction¹

Current climate policy mixes fail to reach the Paris goals (Fransen et al., 2023; Perino et al., 2022). The European Union has taken an important step with its ‘Green New Deal’, purporting itself to become a global leader in ambitious climate policy (Eckert & Kovalevska, 2021; Gengnagel & Zimmermann, 2022). The realisation of those goals was formulated in the ‘Fit-for-55’ package. Critics state that the package is ‘Un’-Fit for 55 (Perino et al., 2022). This begs the question: Why do ambitious goals not lead to sufficiently ambitious measures?

To understand the current challenges in formulating ambitious climate policy and selecting appropriate instruments, it is necessary to comprehend the beliefs of policymakers within the EU climate policymaking subsystem (Linder & Peters, 1989). We take a closer look at actors preparing and making decisions about concrete climate policy measures and ask what beliefs they hold on the subject. This includes beliefs about climate change as well as appropriate solutions.

To guide our research, we apply the belief system approach from the Advocacy Coalition Framework (ACF), arguing that instrument choice and formulation, which we will henceforth refer to as ‘instrumentation’, depend on the meaning that policymakers assign to instruments and instrument-mixes, specifically, about what constitutes a field, a policy problem, and an appropriate solution to this problem. However, while the idea of belief systems matches our research interest, the ACF’s conception of beliefs about policy instruments seems self-contradictory. This reflects recent empirical critiques calling for adjustments to how the ACF conceptualizes policy instruments (Ingold, 2011; Kammermann & Angst, 2021; Kukkonen et al., 2017; Leifeld, 2013). Beyond the empirical issue, we also ask how deep-core, policy-core, and secondary beliefs interact, and how consistent belief systems can be across these levels.

From the set of actors who worked on the Fit-for-55 package, we examine the beliefs of those involved in renegotiating the European Emissions Trading System (EU-ETS), a flagship instrument of EU climate policy (Wettestad & Jevnaker, 2016). How to best (re-)design the EU-ETS in order to position it in the climate policy landscape in synergy with various other climate policy instruments has been part of intensive scholarly investigation (Bertram et al., 2015; Edenhofer, 2014; Patt & Lilliestam, 2018; Rosenbloom et al., 2020; Van Den Bergh & Botzen, 2024). Moreover, authors have emphasized the importance of accounting for interactions between EU- and national-level instruments in a multi-level governance setup (Perino et al., 2019, 2021; Willner & Perino, 2022). Jørgen Wettestad and Torbjørg Jevnaker (Wettestad, 2005; Wettestad & Jevnaker, 2016, 2019) have analyzed the process of different ETS (re-)negotiations over time. Finally, Oscar Fitch-Roy et al. (2020) and Jochen Markard and Daniel Rosenbloom (2020) offer relevant insights into discourses and coalitions surrounding the 2016 EU-ETS renegotiations. However, despite all these analyses, we still know little about the beliefs and preferences of those involved in the negotiations.

We need to interpretatively understand the ‘worlds of thought’ of the relevant decision-makers. In contrast to the literature quoted above, we employ an open-ended qualitative approach. Our analysis is based on 27 semi-structured expert interviews with policymakers

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