



Depoliticisation, Institutions and Political Capacity: Explaining Sedate Energy Transition in the UK

Caroline Kuzemko

EPG Working Paper: 1405

Abstract:

Depoliticisation, as a concept, has been utilised to explain specific aspects of economic governance as it has developed over the past thirty years, particularly in certain OECD countries. This paper recognises depoliticisation as reducing the role of state government in certain issues areas, but emphasises a range of different forms that this can take as well as some political consequences of these decisions. Using UK energy governance as an example, it will detail a wide range of consequences of the depoliticisation of UK energy policy undertaken from the 1980s to the early 2000s. This paper claims that in the mid to late 2000s, when market failure in energy security and climate change were finally recognised in the UK, political institutions capable of effectively addressing these failures simply did not exist.

Keywords: UK energy and climate policy; depoliticisation; political capacity

Contact: c.kuzemko@exeter.ac.uk

Date: April 2014

Introduction

Pro-market energy institutions, as has been the case for other policy areas, have been facing growing challenges and contestations. For some time, principally in the 1990s, the pro-market energy model appeared to work and energy companies managed to deliver affordable and reliable energy to UK consumers. As of the mid-2000s, however, it started to become apparent that markets were at risk of under-delivering on energy supply security and affordability whilst climate change mitigation had become politically far more salient (see Lockwood 2013).

Debates about the role of fossil fuel usage in climate change, dwindling fossil fuel resources, the UK's ageing energy infrastructures and electricity and gas prices indicate some repoliticisation of energy as an issue area (Kuzemko 2013). Indeed the UK over the course of the 2000s adopted new energy security and poverty objectives, a set of legally binding targets related to reducing carbon dioxide emissions as well as a plan to transition to a low carbon economy (DTI 2003; HMG 2008a; HMG 2008b).

Delivering on energy transition whilst ensuring secure and affordable supplies is no mean feat – it can be described as highly complex, a Herculean task as well as completely unprecedented. It presents, as such, both significant challenges but also an opportunity for new approaches to energy governance and imaginative thinking about how to facilitate the large-scale investments and behavioural changes needed (Smith 2009: 54). However it has been widely observed that UK energy institutions have been unable to change profoundly to reflect and successfully deliver these new energy policy objectives (Mitchell 2008; Scrase et al 2009; Smith 2009; Lockwood 2013). For example, fossil fuels still dominate the energy mix, the UK appears to be on course to miss its 20-20-20 renewable target¹, energy poverty is growing and vital new infrastructure, generation and technology investments are not materialising. One explanation for the lack of policy change, despite new objectives, is the degree to which energy policy has been bounded ideologically - thereby preventing policymakers and regulators from discarding the assumptions and principles embedded in privatised and liberalised energy systems (Rutledge 2007; Mitchell 2008; Smith 2009; Kern 2009; Giddens 2009). Others have also pointed to a high degree of, related, institutional inertia (Lehtonen and Kern 2009: 103). This paper argues that disappointing change and institutional inertia can be explained in terms of a lack of political *capacity* brought about by various forms of depoliticisation.

Political *capacity* is conceptualised here in relation to a notion of politics as informed choice, the capacity for agency, deliberation and social interaction (Hay 2007: 65-70; see also Gamble 2000; Wood 2011; Jenkins 2011). This notion of politics infers a more pluralistic and inclusive

¹ Despite the fact that it was lowered to 15% of energy from 20%.

form of democracy which would, in turn, need to be supported by political institutions that embed this notion of politics. Interestingly such observations on what politics is, or should be, are in some respects similar to scholars studying sustainable energy transitions. In analysing how complex transitions take place they observe that the current energy policymaking ‘technocracy’ need to abandon neoclassical economic theory and investigate and deliberate much more broadly (Lehtonen and Kern 2009: 107). This claim relates to the notion that because low carbon energy transition is unprecedented it can only come about through knowledge building and learning-by-doing and with the state acting as a force for innovation and change (Mazzucato 2013: 5; Lehtonen and Kern 2009). This article, however, claims that depoliticised energy institutions have, in essence, negated deliberative, inclusive and reflexive political practice and that this has reduced their ability to manage, co-ordinate and deliver collective goals. In this way this article makes a contribution to two areas – to understandings of the impact of depoliticisations on certain forms of political capacity and agency and to explanations of political limits to low carbon transition.

The article proceeds as follows: the first half outlines three forms of depoliticisation, technocratic, marketised and non-deliberative, and explains how these were deployed within UK energy policy over the course of the 1980s and 1990s. Each form reflects ideas about the appropriate role for the state in energy governance. The second half assesses in more detail the ways in which these forms of depoliticisation, once embedded within political practice, resulted in embedded corporate power, weak political institutions and an inability to question neoliberal and public choice orthodoxies. The analysis here has been informed empirically by documentary analysis but also by interviews with stakeholders, often at a senior level, who have been heavily involved in energy policy-making and regulation.

1. Depoliticisation in Practice: UK Energy Governance

Depoliticisation has been conceptualised as the passing of responsibility, and accountability, in a given issue area away from government (Burnham 2001; Buller and Flinders 2005; Flinders and Buller 2006; Hay 2007; Mügge 2011). One early article emphasises depoliticisation as a governing strategy whereby the discretionary nature of decision-making is reduced and replaced with a more ‘rules-based’ system over which state managers, and politicians, have less active control (Burnham 2001: 136). Scholars have conceptualised how processes of depoliticisation are implemented in practice thereby also presenting depoliticisation as multi-faceted (Flinders and Buller 2006; Hay 2007; Wood and Flinders 2014 forthcoming). The notion that depoliticisation can take many forms is underpinned by arguments that the placing of issue areas at arm’s length from government is by no means a new phenomenon (see Burnham

2011). This article is, however, concerned with processes of depoliticisation that have, since the early 1980s, been underpinned by dominant ideas about the role of the state. In this way depoliticisation is understood to not only have been informed by neoliberal economic and public choice ideas (Hay 2007) but it has arguably also served to further embed these ideas in institutional and policy practice (**); see also Jenkins 2011; Wood 2011).

1.1 Marketised Depoliticisation

Marketised depoliticisation as defined here relates closely to Colin Hay's Type One depoliticisation which takes two forms. The first involves the

...off-loading of areas of formal political responsibility to the market (through privatisation) (Hay 2007: 82)

In that markets become responsible, through privatisation, for the provision of certain goods and services this state-market relationship can be understood in terms of the state seeking to achieve its objectives through markets (see also Burnham 2011: 465).

Prior to the 1980s energy services, and other utilities such as telecoms and water, had been understood to perform important social as well as distributional roles in society and services were provided by public enterprise (Helm 2003: 15). Populations held energy to be right at the top of necessities of (modern) human existence and, as such, required affordable and regular services (Moran 2003: 102). Furthermore, and in particular given the energy intensity of new militaries, security of supply was also high on domestic and international agendas. State institutions, such as the Ministry of Fuel and Power, were established during the 1940s to devise and operate a national plan for energy. The plan would, in turn, ensure an optimal supply mix that would be capable of underpinning economic growth and, importantly, a decent standard of living. Six hundred small energy companies were nationalised under the Electricity Act of 1947 and replaced by the British Electricity Authority and fifteen Area Electricity Boards (Hartshorn 1966: 1). Also as a result of the Electricity Act, and building upon works that had started in the 1920s, a new system of electricity supply was established which required considerable political commitment as well as state expenditure in a centralised National Grid, large regional power stations and extensive transmission systems.

This model of energy governance was to change radically in the early to mid 1980s – in line with the wider shift from Keynesian to neoliberal economic models that took place under the 'New' Conservative government. The neoliberal economic model became influential over economic (and energy) policy partly in response to the successfully characterisation of the 1970s economic crisis as a problem relating to 'bureaucratic overload' (Hay 2007: 98). The answer to

the problem conceived as such was that the state should withdraw from certain functions, including energy provision. Privatisations also, arguably, served the purpose of re-filling empty state coffers (Moran 2003: 101). In addition, the privatisation of utilities has been interpreted as an attempt to 'silence' social questions through their assimilation into the wider business sector where the 'normal' disciplines of the market in Anglo-Saxon capitalism operated (Moran 2003:112).

Economists informed by neoliberal ideas had cast doubt on the adequacy of political rules for achieving 'efficient allocation of resources' and on the merit of running industries in order to achieve political ends such as the redistribution of income and power (Littlechild 1981: 11-12). These same economists, politicians and civil servants that adhered to these ideas, became responsible for the (long) process of privatisation and liberalisation as well as regulating the emerging system. It was concluded that a separation be made in active governance terms between energy, as an economic sector, and politics, as previously represented by state interventionism (Bromley 1991: 49; Helm 2003: 386). The objective became more about having energy function as efficiently and effectively as possible but within the context of economic policy as a whole. The task of government therefore became:

to set a framework which will ensure that the market operates in the energy sector with a minimum of distortion... (Lawson 1989: 23).

Although the passing of responsibility for energy provision to market actors was by no means straightforward in practice, not least because of the strength of opposition from coal mining unions, by and large oil, gas and electricity companies had been privatised by the mid 1990s. As observed by Stephen Wilks privatised companies had considerable assets, which in the case of energy companies had been paid for by the state, and this made them powerful political actors by virtue of their absolute size and their position in the corporate elite (Wilks 2013: 127; see also Smith 2009). Because of how the new framework was structured the UK government became reliant upon the private sector to make vast investments in energy infrastructures and generation, to provide reliable services and, ultimately, to implement policy. Through these processes the role of the state shifted, in practice, from one of responsibility for national planning, infrastructure development and energy provision to neutral overseer and upholder of the agreed market rules. This brought energy more in line with the structural duality that has long existed between industrial and political spheres in the UK historically (Buller and Flinders 2005: 534). This paper will argue, below, that this form of depoliticisation ultimately has contributed to particular asymmetries of power between state and market actors in energy.

1.2 Technocratic Depoliticisation

The second form of depoliticisation that has impacted UK energy policy and institutions is referred to here as technocratic depoliticisation. It again stems from Hay's Type One depoliticisation and occurs when an issue area, such as energy, that had been subject to formal political deliberation and accountability becomes displaced to less obviously politicised arenas such as quasi-public or independent bodies (Hay 2007: 83). This form is similar in many respects to the notion of 'institutional' depoliticisation (Flinders and Buller 2006: 297-8) but it emphasises the central role of technocratic experts in this process. This form of depoliticisation applies particularly well, for obvious reasons, to issue areas such as energy that are considered to be highly technical and complex in nature (Hay 2007: 83). Government actors and civil servants that have espoused this form of depoliticisation also do so on the grounds that (generalist) political actors are simply not qualified to take effective decisions in such technical, expert areas (Interviews 1; 2; 11; 12).

UK energy policy is understood here to have been subject to technocratic depoliticisation during the 1990s under both Conservative and Labour administrations. This is not to say that energy had not previously been depoliticised in this way – the Central Electricity and Area Boards had arguably operated with a degree of independence from majoritarian institutions (see Thomas 2003: 396 re: technical dominance of utilities under nationalised system). They were, however, structured with the objective of delivering a collective good in the form of secure and affordable energy services to all UK households and were therefore responsible for carrying out a national energy plan. The most recent round of technocratic depoliticisation of energy has, however, been informed by different ideas and has produced markedly different institutions.

In line with neoliberal economic ideas about the ability of political actors to effectively govern the economy the Department of Energy (DoE) was disbanded in 1992 and responsibility placed with a sub-division of the Department for Trade and Industry (DTI) and with an independent regulator, Ofgem. Margaret Thatcher had famously observed at the time that the title 'Department of Energy' 'smacks of economic planning whereas our energy needs should be supplied by the market' (Thatcher in Blackhurst 2004). Links to majoritarian institutions, such as Parliament, were by design tenuous at best. There was no longer a Secretary of State for Energy, representation of energy issues at Cabinet level and, over the 1990s, Parliamentary energy debates when they occurred were focused merely on how best to privatise and liberalise energy. Energy was not only less 'visible' as a policy area – but it was institutionally bounded by embedded neoliberal economic orthodoxies – sometimes referred to as market fundamentalism (Rutledge 2007). Energy had become a technical sector of the economy suitable only to the rigorous quantitative analysis of experts rather than elected representatives of state and in this

way it became further isolated from public debate and democratic scrutiny (see Mügge 2011: 189).

All this suggests that the way in which these institutions were designed, and operationalised, was about embedding limited state involvement rather than being equipped to identify or respond to negative societal outcomes. As can be seen below the result of such processes was that energy had become the responsibility of independent technocrats with firmer links with gas and electricity companies and accountancy firms than political actors.

1.3 Non-deliberative Depoliticisation

If marketised and technocratic forms of depoliticisation can be understood in terms of reducing the capacity for informed political agency in energy then the third form, non-deliberative, further entrenches this trend. Its definition here is inspired by a long tradition of academic and fictional work that has critiqued politics as orthodoxy (Orwell 1946; Berlin 1978; Gamble 2000). Writing in the 1940s George Orwell warned against political orthodoxy in that it leads to imitation and a lack of discretion and debate (Orwell 1946). Isaiah Berlin, three decades later, observed that Anglo-Saxon nations are given over to monism conceptualised as knowing one big thing but knowing little about anything else (Berlin 1978: 22). Andrew Gamble's more recent work on politics as 'fate' bemoans the passing of politics as the formation of public will and purpose, the determination of public interest and deciding what should be conserved and what reformed (Gamble 2000: 1).

Picking up on these themes non-deliberative depoliticisation refers here to the way in which institutional design, either purposefully or by accident, can narrow debate and deliberation about a policy area. Depoliticised institutions, in that they embody embedded ideas about how to govern, are less exposed to political contestations. How they are mandated also colours what kind of personnel are hired. It becomes increasingly difficult to challenge the assumptions upon which political practices, embedded in these institutions, rest precisely because these assumptions become less visible as they become more 'rules' based and divorced from debate and deliberation (see also Burnham 2001: 127). As such the way in which political institutions are designed and operate can tend to produce a form of politics that is about closure and permanence and inferring that there is no alternative (Wood and Flinders 2014 forthcoming).

We can learn more about how institutions can operate to negate contestation by turning to the work of sociological and discursive institutionalists (Yee 1996; Schmidt and Radælli 2004). Institutions can and do allow or restrict the access of certain social groups to political leaders and bureaucratic officials (Yee 1996: 92). This is arguably often the case with quasi-public

institutions with less public visibility. As such they can

...set the parameters of what people talk about as well as of who talks to whom in the process of policy-making (Schmidt and Radælli 2004: 197).

This can refer both to who is hired and what qualifications they have, how they are trained once hired, but also to which actors may offer credible information (Hay and Wincott 1998: 954; cf. Adler & Haas 1992). Credible individuals may well offer information using specific, expert terminology and may just naturally present as being qualified and, or, right given the lack of discussion of assumptions that underpin these choices. These practices, by inference, then exclude those that do not present in this way or that expound ideas and use methodologies that do not fit the mould.

We can see these forms of closed community in operation in energy – particularly in the 1990s and early to mid 2000s. Ofgem and the Energy Directorate of the DTI were run by groups of likeminded experts and these experts tended to seek advice from other similarly trained groups such as the accountancy firm Ernst & Young and KPMG (Mitchell 2008; Carrington 2011; ***). What is notable about these closed communities is that qualification as expert was defined not by any particularly in depth technical knowledge of energy markets or infrastructures but by previous, or on the job, training in classical economics and/or statistics (Interviews 1 and 2). This appears to have been a very effective way of limiting debate and decision making to problem solving within the existing framework of ideas. Personnel assigned to the Energy Directorate of the DTI moved from division to division on the understanding that as long as actors understood basic economic principles they could as easily make decisions about energy as any other sector of the economy (Interview 5). In the absence of much specific energy expertise decisions were based on, often bounded, economic models and statistics (Interviews 2 and 15). These were designed to predict market outcomes but not to take account of social considerations and system properties on a national basis (Hope et al 1986; CEPMLP 2006). One senior civil servant observed that the Energy Directorate of the DTI, and later the Department for Energy and Climate Change (DECC), had low energy technology expertise and experience (Interview 16).

As such they Ofgem and the Energy Directorate of the DTI were appropriately mandated and designed with the role of maintaining frameworks in mind. Time, and institutionalised practices, ultimately served to insulate analysts from engagement with, let alone expertise of, energy systems as well as other forms of knowledge about energy and how it should be governed. In this way neoliberal energy institutions were rendered ‘non-negotiable’ or at least increasingly difficult to contest (see Hay 2007: 98).

2. Outcomes for Politics of (Neoliberal) Depoliticisations

Not much has been written, however, about what depoliticisation means for the capacity of political institutions to govern. The critique of implied within scholarly work on depoliticisation is that it negates certain types of politics. It has been claimed that depoliticisation reduces participatory democracy and that it reduces democratic deliberation at the national level (Hay 2007). Depoliticisation is also understood to both reduce Government responsibility for policy whilst also leaving it less subject to political discretions, deliberations and interventions (see Mügge 2011: 189). This section of the paper outlines three impacts of depoliticisation that explain the degree to which UK energy institutions have been incapable of innovating and of delivering on the new, energy specific goals adopted in the mid to late 2000s.

2.1 Embedded Corporate Power

This sub section will assess how processes of marketised depoliticisation have played out in practice emphasising a lack of political ability to act to steer change in the face of a high degree of embedded corporate power (see Wilks 2013). This has to do as much with relative power balances that have been produced by structured rules and regulations. Even if, as some have observed, privatisation of utilities was more stumbled upon than planned (Moran 2003; Wilks 2013) once the decision was taken the new energy model was based upon a framework that would interfere as little as possible in the markets (Lawson 1989). In addition certain decisions taken meant that the UK energy sector did not ultimately emerge as competitive post privatisation (Helm 2003; Thomas 2006; Mitchell 2008). What followed privatisation was a round of mergers and acquisitions that saw the UK gas and electricity market reduced down from fifteen regional providers to just six integrated generators (the 'big six'). In addition, at certain points in time, initial ideas about keeping generation and supply separate were either ignored or considered less important than keeping the sector 'profitable' or 'competitive' such that vertical integration become the norm over time (Thomas 2006). These companies, most of which are foreign owned, operate essentially as an oligopoly that supplies 95% of the domestic market. The ways in which energy markets have been structured has, in these ways, allocated a high degree of market power to the big six².

We can return here to the observation that marketised depoliticisation resulted in a displacement of responsibility from political to market institutions. As observed above UK political institutions now rely on private companies to invest in new infrastructure, implement demand and efficiency policies and to pass on associated costs of these processes to

² At the time of writing this article there have been increasing allegations of abuses of market power by the big six – not least continued reluctance to pass on wholesale price reductions to consumers. This has resulted in Labour's election promise of a freeze in energy prices.

consumers. Both energy security and climate change mitigation are dependent upon sufficient investment taking place in capital-intensive infrastructures and new technologies required for security and climate change mitigation (Smith 2009). Although the UK state had invested heavily in energy infrastructures in the post-War decades, these infrastructures need re-investment in order to continue delivering reliable supplies. It has recently been estimated that twenty percent of UK electricity plant generation capacity is due to close by 2022. Certainly there are those that claim that energy companies, post privatisation, went about sweating their considerable assets instead of investing in new infrastructures (Smith 2009: 54). As a consequence, and in order to deliver on the new objective of energy supply security, DECC now estimates that £110bn of investment in UK infrastructure is required between 2013 and 2020 (Davey 2013).

This all results in a considerable headache for UK energy policy – specifically how to deliver new objectives whilst still relying on private enterprises that have little incentive to do so. The overriding difficulty here is that although responsible for delivering energy objectives and implementing policies energy companies are *not* answerable to society as a whole. They are answerable to their paying customers in terms of providing a reliable service, but not necessarily affordable prices. Their primary responsibility, clearly, is to shareholders, a group of people who are interested in investment and/or dividend returns but who may have little or no interest in UK energy security, renewable energy, environmental sustainability, let alone fuel poverty. The objective of private energy companies is therefore to make profits, which should preferably grow year on year, and then to either re-invest the surplus capital into the business, thereby improving their market capitalisation, or pay the surplus capital to shareholders in the form of dividends. In fact dividends on offer from the big six are extremely generous, their dividend ratios vary from 5% to 7.8%. Clearly this use of profits at a time when the government is keen to secure investment in aging, high carbon generation is highly problematic.

Incumbent companies use their market and political power to lobby strongly and have been central to consultancy processes that have underpinned new legislation (Friends of the Earth 2011). Furthermore energy companies regularly lend staff to government departments and technocrats are often sent to learn from energy companies (Carrington 2011; Interview 17). One specific example of embedded corporate power is the negotiating process that has been ongoing between Electricité de France (EdF), a French state-owned company, and the UK government over strike prices for new nuclear. EdF's argument is that if the UK cannot ensure a sufficient return on its investments then they will simply take business, and investments, elsewhere (Roland 2013). This argument is all the more potent given the withdrawal of two German corporations, RWE and E.ON, from investment in UK nuclear given the post-Fukushima German government decisions about withdrawing from nuclear. Despite estimations

in 2008 that nuclear generating costs should be between £31 and £44 per megawatt hour (MWh) the UK government has been offering a strike price of £80-85 per MWh (Woodman 2013). Nuclear power, moreover, entails heavy waste management costs that the UK state has agreed to fund – already between 50 and 80% of the DECC's budget is already spent on nuclear decommissioning (Burke et al 2012). In this way the UK state is prepared to fund nuclear power, to the tune of billions of pounds, despite the fact that it is, on these terms, one of the most expensive forms of electricity available.

What this means is that the political capacity to implement new or alternative policies is constrained by the need to keep incumbents in profit and shareholders happy. This helps us to understand how the important power asymmetries between policymakers and private sector stakeholders have impacted upon the ability of political institutions to deliver on societal objectives. But it also causes us to understand the degree to which marketised depoliticisation has served to benefit narrow over more widely defined societal groups.

2.2 Disjunctures Between Majoritarian Institutions and Technocrats

Technocratic depoliticisation has also had implications for political capacity – this time in the form of politics as social interaction. In particular the argument here is that this form of depoliticisation has made it more difficult to understand interdependencies between decision-making by experts and direct or indirect consequences for others (see Hay 2007: 70). The dissolution of the DoE, outlined above, and attempts to place decision-making at arms length from government was compounded over time by further demotions of energy down the hierarchy of government institutions. It has been noted that personnel dedicated to carrying out the necessary analysis and problem solving in energy were by the late 1990s and early 2000s at a low point and that the future even of the DTI's Energy Directorate was 'in doubt' (Helm 2003: 399-400). Under New Labour the post of Energy Minister was passed around on an almost yearly basis and the remit of the Minister for Energy was expanded in 2003 - to also include responsibility for telecoms and postal services. This led some to claim that energy policy had been downgraded to a status meriting only a 'part-time minister', let alone a Secretary of State reporting directly to the Cabinet (Helm 2003: 400; see also Leake 2005).

The way in which these institutions were designed served to further insulate energy from majoritarian institutions. Ofgem was independent of government – a clear sign of technocratic depoliticisation but this still begs the question of whether they were independent of other organisations. The first clue in answering this question lies in the fact that Ofgem is paid for by energy companies (Ofgem website). This in itself does not necessarily lead to regulatory capture but in order for Ofgem to make significant changes to the regulations governing UK gas and electricity markets it needs to, albeit indirectly, consult industry. For example if it were to try

to alter the highly structured Balancing and Settlement Code (BSC) that forms a large part of how electricity and gas companies are regulated it must first seek the approval of the BSC Panel. This panel is, in turn, manned primarily by representatives of the gas and electricity companies.

There have been further consequences for political capacity in energy and in particular for politics as social interaction. Technocratic experts at the DTI and Ofgem had, given that the policy framework had already been decided, for some time had little need to communicate with majoritarian institutions. As there was no Secretary of State for Energy reporting regularly to Cabinet, or Parliament, this further reduced the possibility for learning and knowledge building through exposure to the subject. This kept circles of knowledge about energy narrow in terms of personnel involved and this was exacerbated by the extent to which technocratic experts employed within energy institutions continued to believe that politics should not interfere in economic matters such as energy (Interviews 1, 2, 6, 9, 11, 12). In this way economic technocrats were able to set the parameters of how energy was analysed and discussed (see Schmidt and Radælli 2004: 197). Furthermore, technical experts purposefully placed at arm's length from government arguably have less incentive or capacity to understand energy policy within the broader objectives of collective social policy (Helm et al 1989: 55). Those that should serve as the formal channel of communication between society (or voters), for example MPs, were left out of the loop thereby fulfilling the notion that political actors cannot effectively manage economies.

Under conditions of technocratic depoliticisation, moreover, individuals also have less exposure to energy as an issue area. Households become 'consumers' that expect a certain service at a price as part of a business relationship – neither particularly aware of the nature of energy services nor active participants in pursuing a collective goal. The complexities of providing this service, not least in terms of the infrastructures such as transmission grids that they are dependent upon, had become less and less visible to end users. A lack of knowledge about how energy systems work plays heavily to the detriment of policies that are designed to encourage wider participation in energy demand reduction and efficiency improvement. It narrows the terms of debate down to costs in the absence of communication about the complex, costly but hidden infrastructures that are fundamental to the provision of energy services and how and why they need to change.

One further aspect of technocratic depoliticisation, in that it reduces the visibility of energy and erodes connections between policy and society, is the reduction of trust in political authority (Buller and Flinders 2005: 527). One study has highlighted the erosion of trust in governance and in political abilities to manage sustainable energy trajectories (Rayner 2009). Publics can

end up, through exclusion from broad debate, becoming disengaged with topics and distrusting motives for policy. This is one outcome that Jonathan Stern wrote about in a 1987 article about the exclusion of energy from public policy debates both during and between national elections (Stern 1987: 498). Growing distrust in policy and government is currently exacerbated by the rapid growth in distrust of incumbent energy companies – clearly problematic given their responsibility in delivering energy services as well as new energy efficiency policies.

2.3 Negating Politics as Deliberation and Choice

This last sub-section on the outcomes of depoliticisation emphasises a reduction in the capacity for politics as deliberation and as choice between different solutions to problems. The first point to be made here highlights the way in which parameters set, for example how an institution is mandated, influence a whole range of outcomes. The tighter the boundaries are set the less possible it is to openly contest, deliberate or to choose from different approaches to governing energy. The way in which Ofgem and the Energy Directorate of the DTI were initially mandated and structured served to embed the idea that the proper role of government was as a regulator of services delivered by market organisations (Wilks 2013: 126). In addition, mentioned above, both Ofgem and the Energy Directorate of the DTI were assigned mandates to establish and maintain undistorted, freely trading, competitive markets (see Mitchell 2008; Scrase and Ockwell 2009: 42). As the DTI and Ofgem did not have specific *energy* objectives they were focused on achieving objectives in line with economic policy more broadly. This both narrowed policy down to regulating in the interests of markets rather than with the intention of meeting national or other collective energy goals. In addition this meant that ‘experts’ working in the Energy Directorate of the DTI were not, in fact, energy experts but generalist economists and statisticians. As energy, or other sector for that matter, specific expertise was in this way less rewarded or required turnover from division to division was high - staff usually spent only two years within any given division before being moved into another area (Interview 12).

Perhaps the most significant outcome of non-deliberative depoliticisation is, however, that energy governance institutions under liberalisation, in that they were originally designed to oversee and regulate market operations with a minimum of distortion, were not well placed to pursue new objectives of energy security and climate change mitigation when they were introduced (cf. Smith 2009). This is not only because institutions had been designed with no such energy specific objectives in mind but also because technocrats were not hired for their ability to think outside the pro-market box and consultancy was sought from likeminded groups. Originally, when first faced with the *idea* of pursuing climate change mitigation UK policymakers had argued that markets would deliver (DoE 1990). This was based on a whole range of uncontested assumptions. For example that consumers would ‘demand’ renewable energy and

companies would therefore have to deliver (IEA 1998: 67), competition would drive renewable energy development (DETR 2000), and freely trading markets were a pre-requisite for the provision of energy supply security (Mitchell et al 2001: 177). Assumptions about how energy should be governed also specifically ruled out government decisions about what mix of energy technologies the UK should have, intervening in markets or directing energy investments (DTI 2003; see also Mitchell 2008).

Later, in 2003, when energy policy was for the first time allocated energy objectives these were vaguely set out and the assumption remained that markets would deliver. As it became apparent, over the course of the mid to late 2000s, that markets were not delivering on investment in traditional as well as new energy infrastructure and technology politicians and technocrats were limited to a explanation of 'market failure' (see Milliband 2008; Wicks 2009). As it became clear that current institutions were not delivering a new institution, DECC, was established but it was staffed largely by ex-Energy Directorate and DEFRA personnel. In practice although DECC was created with energy specific mandates in mind it was still a reasonably small department with a clear sense of its position in the hierarchy with relation to the Treasury (House of Commons 2012). Technocrats continued to ignore the fact that the assumptions, knowledge, and understandings that underpinned their definition of [policy] problems were contestable but actively rejected other voices (Interview 2; see also Scrase and Ockwell 2009: 38). One interviewee at Ofgem suggested that they designed their review of energy markets, Project Discovery, to make it look like they had considered more 'radical' solutions but were always going to choose instruments that had least impact on freely trading markets (Interview 11).

There are those that argue that the conceptualisation of energy related problems as market failure has limited the response of government to raising the level of market signals and to some low scale interventions (see Mazzucato 2013). The recent Electricity Market Reform (EMR) is designed to pay a set price for clean energy and incentivise market players to invest in new capacity. The amount set aside to fund these programmes is capped under the Levy Control Framework which is used by the Treasury to limit off balance sheet spending at DECC (DECC 2013). The costs of differentials between strike prices agreed and wholesale electricity prices are in fact realised via the markets through a levy on consumer electricity and gas bills. The decision to raise funds from consumers, whilst gas and electricity prices have been rising, has clear, negative implications for energy poverty in the UK.

These incentives and interventions are, furthermore, designed to be temporary:

The reforms in the Energy Bill are specifically designed to move us away from such intervention – and blaze a trail towards competition. That is their ultimate aim (Davey 2012)

Temporary and weak interventions and largely market-based instruments show a lack of commitment to change. As Mariana Mazzucato argues in her book on the ‘entrepreneurial state’ the UK’s sustainable energy policy is patchy and lacking in vision (Mazzucato 2013: 120). This is partly why it is lagging behind in development of clean energy and associated technologies whilst other countries, such as Germany and China, are becoming the clean technology leaders of the future. Conditions of non-deliberation and the associated rejection or lack of sight of other alternatives have restricted both UK energy policymaking choices partly because these are narrowly defined, restricted choices. The ability to make informed choices has been limited as have opportunities for knowledge building and learning-by-doing.

3. Conclusions

It was suggested in the introduction to this article that two contributions would be made. One contribution has been to offer depoliticisation as a conceptual approach that provides explanations as to why UK energy policy has been so limited in its response to significant new challenges. Taken together the forms of depoliticisation applied in this analysis explain constraints on change and on meeting energy policy objectives in terms of diminished, institutionalised and narrowly defined political structures. Specifically the institutions, market and technocratic, responsible for energy had been created to maintain, encourage and support competition, cost efficiency and freely trading markets. Their institutional make-up, imbued as it was with assumptions about appropriate energy policy, was relatively closed to alternative knowledge and constructions of energy. This sufficed whilst energy prices were low, infrastructure was operational and objectives of energy policy were generalised around wider economic goals. However the need to deliver complex climate change objectives whilst maintaining affordable and secure supply has shown the limitations of this model. What this suggests is that institutional design under conditions of depoliticisation has mattered - not least in that it tended to lock in certain forms of knowledge and certain hiring and training practices. Being specific about how these structures impacted upon the ability of policymakers, once tasked with new objectives, helps to explicate specific resistances to change but also the gulf between those that argue for a strong role for the state in energy transition and choices made so far in the UK.

The second contribution is to depoliticisation literatures in terms of empirical evidence of the impact of various forms of depoliticisation on political capacities. The evidence here suggests that each form of depoliticisation has had particular effects but that all are underpinned and reinforced by neoliberal economic ideas about the appropriate role for states and markets in the field of energy. Marketised depoliticisation has in practice resulted in quite severe asymmetry of power and market knowledge between energy policymakers and the private sector.

Technocratic depoliticisation has, as would be expected, widened the gap between policy experts and majoritarian institutions but this has resulted in a low base of knowledge about energy and about how decisions made and rules in place impact upon society. Non-deliberative depoliticisation has fostered an environment wherein other approaches to governing for energy system transition are barely considered limiting choices to instruments that can incentivise investments but not disrupt the market. As such depoliticisation beyond being a critical concept can also be understood as being capable of explaining political phenomena.

It has been necessary, when trying to assess the impact on political capacity, to be clear about how politics is conceptualised here. Politics as capable of deliberation, choice and of delivering collective goods, such as climate change mitigation, requires that energy policymaking institutions be redesigned. If politics is to play a leadership and management role in the unprecedented tasks facing us then institutions need to have the capacity to make informed decisions based on an in depth knowledge of energy and its role in society. They need to be able to build new knowledge, to foster learning-by-doing, to co-ordinate new behaviours and attitudes and to be reflexive. In assessing the impact of various forms of depoliticisation on UK energy policymaking this article has both provided empirical evidence of reduced capacity for politics as agency, social interaction and choice. Institutions that are capable of formal political scrutiny and that are accountable to society as a whole, not just to consumers of energy services, need to be fostered and maintained for deliberation, choice and co-ordination to be possible.

Bibliography

Adler, E.; Haas, P. M. (1992) 'Conclusion: Epistemic Communities, World Order, and the Creation of a Reflective Research Program' in *International Organization*, 46:1, 367-390.

Berlin, I. (1978) *Russian Thinkers*. London: Hogarth.

Blackhurst, Bob (2004) 'Can we Wait for Renewables?' at the *Foreign Policy Centre*: <http://fpc.org.uk/articles/264> (Last accessed: 3 October 2013)

Bromley, S. (1991) *American hegemony and world oil: the industry, the state system and the world economy*. Oxford: Polity Press.

Buller, Jim; Flinders, Matthew (2005) 'The Domestic Origins of Depoliticisation in the Area of British Economic Policy', *British Journal of Politics and International Relations*, 7, 526-43.

Burke, P.; Juniper, T.; Porritt, J.; Secrett, C. (2012) 'Subsidising the Nuclear Industry', a Briefing for the Government, 26th March 2012. Available at: http://www.jonathonporritt.com/sites/default/files/users/BRIEFING%201%20subsidising_nuclear_26March%202012_0.pdf

Burnham, P. (2011) 'Depoliticising Monetary Policy: The Minimum Lending Rate Experiment in Britain in the 1970s', *New Political Economy*, 16:4, 463-80.

Burnham, P. (2001) 'New Labour and the politics of depoliticisation', in *British Journal of Politics and International Relations*, 3:2, 127-49.

Carrington, D. (2011) 'Energy companies have lent more than 50 staff to government departments', *The Guardian* Monday 5 December 2011. Available at: <http://www.guardian.co.uk/business/2011/dec/05/energy-companies-lend-staff-government> (Last accessed: 3 October 2013)

CEPMLP (Centre for Energy, Petroleum and Mineral Law and Policy) (2006) 'Security of International Oil and Gas: Challenges and Research Priorities', *A Project for the Economic and Social Research Council* by CEPMLP, University of Dundee. Available at: <http://www.dundee.ac.uk/cepmlp/Research/ESRC%20CEPMLP%20FinalReport.pdf> (Last accessed: 20 September 2011)

Davey, E. (2013) 'Green Growth, Green Jobs: the Success of Renewables in Scotland', a speech to the Scottish Renewables Conference, 19th March 2013. Available at: <https://www.gov.uk/government/speeches/green-growth-green-jobs-the-success-of-renewables-in-scotland> (Last accessed: 30 September 2013)

DECC (Department of Energy and Climate Change) (2013) *Annex D: Levy Control Framework Update*. London: DECC.

DETR (Department of Environment, Transport and Roads) (2000) *Climate Change: the UK Programme 2000*. CM4913. London: TSO.

DTI (Department of Trade and Industry) (2003) *Energy White Paper: Our Energy Future – Creating a Low Carbon Economy*. London: HMSO.

Flinders, M; Buller, J. (2006) 'Depoliticisation: Principles, Tactics and Tools', in *British Politics* 1, 293-318.

Friends of the Earth (2011) *The Dirty Half Dozen*. London: Friends of the Earth.

Gamble, A. (2000) *Politics and Fate*. Cambridge and Malden, MA: Polity.

Giddens, A. (2009) *The Politics of Climate Change*. Cambridge: Polity Press.

Hay, C. (2007) *Why We Hate Politics*. Cambridge; Malden SA: Polity Press.

Hay, C.; Wincott, D. (1998) 'Structure, Agency and Historical Institutionalism', *Political Studies*, XLVI, 951-957.

Hartshorn, Jack (1966) *A Fuel Policy for Great Britain*. London: A PEP Report.

Helm, D. (2003) *Energy, the state and the market*. Oxford: Oxford University Press.

HMG (Her Majesty's Government) (2008a) *The Climate Change Act*. London: HMSO.

HMG (2008b) *The low carbon transition plan*. London: HMSO.

Hope, C.; Jones, M.; Owens, S. (1987) 'New directions for UK energy policy?', *Energy Policy*, February 1987, pp. 5-6.

House of Commons (2012) *Draft Energy Bill: Pre-Legislative Scrutiny*. London: TSO.

IEA (International Energy Agency) (1998) *Energy Policies of IEA Countries: The United Kingdom 1998 Review*. Paris: OECD/IEA

Jenkins, L. (2011) 'The Difference Genealogy Makes: Strategies for Politicisation or How to Extend Capacities for Autonomy', *Political Studies*, 59, 1, pp. 156-74.

Kern, F. (2009) 'The politics of governing 'system innovations' towards sustainable electricity systems'. A thesis submitted in September 2009 to the *Science and Technology Policy Research department of the University of Sussex*. Available at: http://eprints.sussex.ac.uk/2362/01/Kern%2C_Florian.pdf (Last accessed: 3 October 2013).

Lawson, Nigel (1989) *Energy Policy: the Text of a Speech Given in 1982*. Oxford: Clarendon Press.

Leake, J. (2005) 'Interview – Malcolm Wicks', *New Statesman*, 03 October 2005.

Lehtonen, M.; Kern, F. (2009) 'Deliberative socio-technical transitions', in Ivan Scrase and Gordon MacKerron eds. *Energy for the Future: A New Agenda*. Basingstoke: Palgrave Macmillan

Littlechild, S. (1981) 'Ten Steps to Denationalisation', *Journal of Economic Affairs*, 2:1, 11-19.

Littlechild, S. C.; Vaidya K. G. (1982) *Energy Strategies for the UK*. London: George, Allen and Unwin.

Lockwood, M. (2013) 'The political sustainability of climate policy: The case of the UK Climate Change Act', *Global Environmental Change*, online 13 August 2013.

Kern, F. (2009) The politics of governing 'system innovations' toward sustainable electricity systems. A thesis submitted to the University of Sussex. Available at: http://eprints.sussex.ac.uk/2362/01/Kern%2C_Florian.pdf (Last accessed: 3 October 2013).

Mazzucato, M. (2013) *The entrepreneurial state: debunking public vs. private sector myths*. London and New York: Anthem Press.

Mitchell, Catherine (2008) *The Political Economy of Sustainable Energy*. Basingstoke and New York: Palgrave Macmillan.

Mitchell, J; Morita N.; Selley, N. And Stern, J. (2001) *The New Economy of Oil: Impacts on Business, Geopolitics and Society*. London: Royal Institute for International Affairs.

Moran, M. (2003) *The British Regulatory State: High Modernism and Hyper-Innovation*. Oxford: Oxford University Press.

Mügge, D. (2011) 'From Pragmatism to Dogmatism: European Union Governance, Policy Paradigms and Financial Meltdown', *New Political Economy*, 16, 2, pp. 185-206.

Orwell, G. (1946) *Politics and the English Language*. Available at: http://www.orwell.ru/library/essays/politics/english/e_polit/ (last accessed: 3 October 2013)

PIU (Policy and Innovation Unit) (2002) *The Energy Review*. A Performance and Innovation Unit Report. London: Cabinet Office. Available at: <http://www.gci.org.uk/Documents/TheEnergyReview.pdf> (Last accessed: 1 September 2012).

Rayner, S. (2009) 'Trust and the transformation of energy systems', *Energy Policy* 38, 6, pp. 2617-2623.

Robinson, C (1981) 'The errors of North Sea policy', in *Lloyds Bank Review*, July, no. 141.

Roland, D. (2013) 'EDF could still exit from UK nuclear project', the Daily Telegraph 5th February 2013. Available at: <http://www.telegraph.co.uk/finance/newsbysector/energy/9850269/EDF-could-still-exit-from-UK-nuclear-project.html> (last accessed: 3 October 2013).

Rutledge, I. (2007) 'New Labour, Energy Policy and "Competitive Markets"', *Cambridge Journal of Economics* 31, pp. 901-925.

Schmidt, V.A. and Radaelli, C. M. (2004) 'Policy Change and Discourse in Europe: Conceptual and Methodological Issues', *West European Politics*, 27, 2: 183-210.

Scrase, I.; Ockwell, D. (2009) 'Energy Issues: Framing and Policy Change', in Ivan Scrase and Gordon MacKerron eds. *Energy for the Future: A New Agenda*. Basingstoke: Palgrave Macmillan

Smith, A. (2009) 'Energy Governance: The Challenges of Sustainability', in Ivan Scrase and Gordon MacKerron eds. *Energy for the Future: A New Agenda*. Basingstoke: Palgrave Macmillan

Stern, J. (1987) 'UK energy issues 1987-92', *Energy Policy*, December 1987, pp. 498-502.

Thomas, Steve (2006) 'The British Model in Britain: Failing slowly', *Energy Policy* 34 (2006) 583-600.

Wicks, Malcolm (2009) *Energy Security: A National Challenge in a Changing World*. London: Department of Energy and Climate Change

Wilks, S. (2013) *The Political Power of the Business Corporation*. Cheltenham, UK and Northampton, USA: Edward Elgar.

Wood, M. (2011) 'Shifting Paradigms?: Mapping Policy Change in the Wake of the Financial Crisis', *Paper presented at the ECPR General Conference*, Reykjavik, 24-28 August 2011.

Wood, M; Flinders, M. (2014 forthcoming) 'Rethinking depoliticisation: beyond the governmental', *Policy & Politics* January 2014.

Yee, A. S. (1996) 'The Causal Effects of Ideas on Policy', *International Organisation*, 50, 1: 69.

Yergin, D. (1998) 'Foreword', in John Mitchell ed. *Companies in a World of Conflict: NGOs, Sanctions, and Corporate Responsibility*. London: Earthscan.

APPENDIX: LIST OF INTERVIEWS

1. BERR , January 2008
2. BERR, December 2008
3. FCO, Analyst, January 2008
4. FCO, Analyst, August 2010
5. DECC, September 2010
6. FCO (Moscow), September 2008
7. CERA, founder and consultant, December 2007
8. OXERA, principal, August 2010
9. Member of 2002 PIU energy review team and government advisor, September 2010
10. Member of 2002 PIU energy review team and government advisor, February 2011
11. Ofgem, January 2011
12. DECC, January 2011
13. Qatar National Oil and Gas, head of international marketing, December 2009
14. Worldwatch, director, Energy and Climate Program, May 2011
15. FCO, former analyst, August 2011
16. Former head of policy planning at 10 Downing Street and senior policy adviser
17. Former DECC and DTI senior executive
18. High level representative of Electricité de France (EdF)