

*Assessing the European Union's Energy Policy: the nature of
interests and conflicts in a changing historical environment*

Tadas Jakstas

A thesis submitted for the degree of PhD

Department of Government

University of Essex

September 2015

The copyright of this thesis rests with the author. No quotation from it, or information derived from it may be published without the prior written consent of the author, and any information derived from it should be acknowledged.

Contents

Abstract

Acknowledgements

List of Abbreviations

List of Illustrations

Introduction	1
1. Defining energy policy	4
2. Theoretical perspective: embedded contestation between heterogeneous interests and ideologies	8
3. European energy policy developments: a historical perspective	14
4. Key shifts in EU energy policy 1990s-2013	16
4.1. Energy market liberalisation and competitiveness	18
4.2. Energy security challenges and growing climate constraints	20
4.3. Energy policy integration: the growing prominence of the climate dimension	22
4.4. The shift towards competitiveness	24
5. Data collection	25
Overview of the Thesis	27
Chapter 1	30
Contestation and changes in the EU energy domain: theoretical reflections	30
Introduction	30
1. Historical institutionalism and the creation of EU institutional governance	32
2. Struggles between conflicting interests in the process of EU governance	46
3. Alternative approaches	60
3.1. State-centric approaches	61
3.2. Liberal-oriented traditions	65
3.3. Ideational perspectives	69
Summary: An analytical framework	73
Chapter 2	77
The struggle for energy market liberalisation	77
Introduction	77
1. Historical context and ideological differences	79
1.1. The role of energy regulation in different capital accumulation models	79
2. The emergence of pro-liberalisation and anti-liberalisation blocs (1989-1993)	84
3. The pro-liberalisation bloc and its attempt to challenge monopolistic energy structures	85
3.1. Single market as a response to long-term growth challenges	85
3.2. Unleashing a war of position	88
3.3. The pro-liberalisation bloc and the strengthening of the material dimension	89
3.4. Strategies on the institutional domain	91
3.5. Discursive actions	93

4. The anti-liberalisation bloc and challenges to create competitive energy market (1989-1992)	94
4.1. Control of material capabilities	94
4.2. Dominance in the institutional domain	95
4.3. Capital accumulation models and energy constrains	98
4.4. The promotion of an anti-liberalisation discourse	100
4.4.1. Attempts to decouple pro-liberalisation ideology	100
4.4.2. The involvement of civil society groups and organic intellectuals	103
5. Changes in positions and strategies 1993-1996	104
5.1. Structural constrains and changes in national positions	104
5.2. Shifts in energy industry position	107
5.3. Support on ideational domain	109
6. New strategies against energy market liberalisation	110
6.1. French proposal and the strategies of transformismo and heresthetics	110
6.2. Divisions within the Commission and incremental steps towards liberalisation	114
Conclusion	116
Chapter 3	120
The attempts to address security and climate challenges through nuclear option constraints	120
Introduction	120
1. The external factors and new energy paradigm	121
1.1. The effects of Kyoto protocol	122
1.2. The oil crises and the shift towards energy security	123
1.3. The Commission's long-term response	125
2. Attempts to integrate energy policy	128
2.1. The promotion of nuclear energy	128
2.2. The promotion of nuclear power through the material dimension	129
2.3. The pro-nuclear bloc and discursive formations	131
2.4. Institutional strategies	136
2.4.1. Heresthetics and the creation of institutional support	138
3. Institutional and discursive challenges to create pro-nuclear historical bloc	141
3.1. Divisions within the EU Commission	141
3.2. Opposition in the Council	143
3.3. Structural constraints	144
3.4. The role of civil society and anti-nuclear discourse	148
Conclusion	152
Chapter 4	157
The war of position towards low carbon energy policy	157
Introduction	157
1. Contradictions and shocks of the EU energy policy	158

1.1. The effects of supply crises and natural disasters	158
1.2. Growing global oil demand and decreasing European production	160
1.3. The effects of the Russian gas supply crisis	161
2. The emergence of an organic crisis	163
3. Response to the crisis	165
3.1. The emergence of an ideological energy and climate triangle	165
3.2. The promotion of emission cuts, renewables and efficiency	167
4. Unity in the Commission and support in the Parliament	168
5. The strengthening of the material foundations of the low carbon energy bloc	173
6. Actions at the institutional level	174
7. Discursive strategies and the role of civil society	176
8. The role of organic intellectuals	185
9. Strategic political moves: heresthetics and building support in the Council	190
10. Growing support in the Council	194
11. First steps towards a low carbon hegemonic order	198
Conclusion	200
Chapter 5	204
The economic crisis and the shift towards the competitiveness dimension	204
Introduction	204
1. Economic crisis and the shale revolution as a threat to the low-carbon hegemonic order	205
2. Accumulation-Legitimation tensions	207
3. The disintegration of the low carbon hegemonic formation	210
3.1. A disequilibrium of the material, institutional and discursive dimensions	210
3.2. The weakening of the material dimension	210
3.3. Growing tensions in the institutional domain	213
3.3.1. Divisions in the Commission	213
3.3.2. Structural constrains and weakening support from member states	215
3.3.3. Growing divisions in the Council	221
3.3.4. Attempts to break down hegemonic discourse	222
4. The engagement of traditional intellectuals	227
5. The low carbon response: attempts to maintain a hegemonic order	231
5.1. Transformismo and adaptation	231
5.2. Discursive restructuring in the policy of transformismo	236
5.3. The role of organic intellectuals	239
6. Case study: the promotion of the Energy Efficiency Directive	241
Conclusion	251
Conclusions	254
1. Theoretical implications	258

2. Practical implications	263
3. Future Policy Debates	268
Bibliography	269

Abstract

This thesis contributes to an understanding of the changes in prominence in EU energy policy since the 1990s. It does so by analysing struggles over energy policy developments, as well as focusing on a new way of looking at EU politics, in particular, at the role of the EU Commission in the development of energy policy.

Realist and liberal oriented perspectives, and constructivist and discourse approaches, offer competing theoretical frameworks through which to view EU politics, and furnish us with many useful insights. However, they also suffer from some problematic features, such as state-centrism, automatism, determinism, and cultural relativism.

Drawing on the neo-Gramscian approach, informed by a historical institutionalist perspective, and certain elements of the post-structuralist account, I provide a more convincing and thorough explanation of several considerable shifts in EU energy policy, beginning with competitiveness in the 1990s, then turning towards energy security as well as climate change in the 2000s, and again competitiveness at the end of the 2000s. In addition, I illuminate the proactive role of the Commission in continuous hegemonic struggles over EU energy policy development. First, using historical institutionalism, I argue that the EU Commission acts as a political entrepreneur, promoting a long-term pro-growth orientation that stems from its organizational DNA, i.e. its historical make-up. Moreover, other state and non-state players often contest the Commission's forward-looking position. The neo-Gramscian account of hegemony provides a comprehensive and detailed framework that reveals how the Commission, and other players, were actively involved in hegemonic struggles surrounding the EU energy policy domain. Furthermore, due to the lack of analytical mechanisms in the neo-Gramscian tradition to explore dynamic struggles and changes at the discursive level, I use the post-structuralist political logics of equivalence and difference, together with various rhetorical instruments that serve as descriptive framing devices.

Acknowledgements

This PhD thesis rests on the contribution of many people whom I would like to thank. First, Professor Hugh Ward supervised this study and merits a special mention, as he has been an excellent guide throughout my doctorate, providing rich ideas and constructive criticism. Many thanks also to Professor David Howarth and Dr Jason Glynos, the members of my supervisory board, for providing a stimulating environment and useful comments.

I would also like to thank the officials from the EU Commission, Council, Parliament, and representatives from various civil society groups and non-governmental organisations, who agreed to give their time to be interviewed.

The biggest thanks belong to my family for lending moral support, however painful or boring the process has been for them. I dedicate this work to my wife Dovilė, my parents Lidija and Vitalijus, and my sister Evelina, who have all been extraordinarily supportive. They instilled in me a sense of belief and maintained my optimism throughout this journey.

List of Abbreviations

BP	British Petroleum
CAN	Climate Action Network
CEDEC	European Confederation of Public Sector Energy Distribution Companies
CES	Economic and Social Council
CoM	Covenant of Mayors
COMECE	Commission of the Bishops' Conferences of the European Community
EC	European Commission
ECSC	European Coal and Steel Community
ENEN	European Nuclear Education Network
ENS	European Nuclear Society
EPSC	European Public Services Committee
EREC	European Renewable Energy Council
ETUC	European Trade Union Confederation
EUSEW	Sustainable Energy Week
EWEA	European Wind Energy Association
FP7	Seventh Research and Development Programme
FT	Financial Times
HA	High Authority
HLG	High Level Group on Competitiveness, Energy and the Environment
IEA	International Energy Agency
IEE	Intelligent Energy – Europe
IPCC	Intergovernmental Panel on Climate Change (IPCC)
IEM	The Internal Energy Market
JRC	Joint Research Centre
MICANET	Michelangelo Network
OPEC	Organization of Arab Petroleum Exporting Countries
PSEPC	Public Safety and Emergency Preparedness Canada
RTDD	Research, technological development and demonstration
SG	Secretarial General
TACIS	Technical Assistance to the Commonwealth of Independent States
TEN-E	Trans-European energy networks
TPA	Third party access
WENRA	Western European Nuclear Regulators Association

List of Illustrations

Figures

- Figure 1.** Energy Policy
- Figure 2.** Intersection of Energy Policy dimensions
- Figure 3.** Categories of power
- Figure 4.** Average price of energy faced by the EU and US chemical industries, 1985-1997
- Figure 5.** Variations in electricity prices
- Figure 6.** Key crude oil spot prices in US dollars/barrel
- Figure 7.** The North Sea oil production in million barrels per day.
- Figure 8.** The level of energy dependence in 2002: from 0 (no dependence) to 100 (absolute dependence)
- Figure 9.** Natural Gas Prices in US, Europe, Japan
- Figure 10.** Investment in renewable energy at global level

Tables

- Table 1.** The ratio of electricity prices for domestic and industrial consumers
- Table 2.** Consequences of the 2009 gas crisis
- Table 3.** Responses to Eurobarometer survey questions

Introduction

Historically, national governments have been the main actors in the energy policy sphere, not least because energy has always been considered a domestic policy sector closely linked to the strategic domains of the sovereign state: security, and economic and social stability. Moreover, one could argue that individual EU member states have been dominant in energy policy as national governments have been reluctant to pool sovereignty to create a common European energy policy. This could be explained by the fact that energy is a wide policy area which could have different effects on individual states in terms of their national energy resources, import/investment needs, and consumption patterns (Eberlein, 2012). Due to different resource situations, political and policy preferences, as well as cultural traditions, governments are not willing to make the necessary compromises to conflicting energy policy objectives.

The creation of a European wide energy policy is a difficult, slow and ambiguous process which is often interrupted by the particular interests of state and non-state players. In other words, the process is often undermined by collective action problems. As Eberlein (2012:152) pointed out “...a constellation of heterogeneous situations and preferences suggests a decentralized approach to energy policy in Europe...The problem for collective action on EU policy is that both costs and benefits are unevenly distributed among member states”. In other words, if the development of European energy policy was left only to the preferences and mechanisms of individual member states, one would not expect to see any progress or coherence among various objectives, including energy security, competitiveness, and climate change, as countries would do everything they could to protect their national energy interests. Despite these expectations, in the case of policy formulation and discourse, we observe a somewhat different process that, although sometimes interrupted by particular

interests, involves some degree of coherence in terms of attempting to promote long-term European-wide energy policy discourse (Eberlein, 2012). However, in terms of establishing a consensus over the EU dimension of energy policy, the results have been rather limited. According to Eberlein (2012:24) "...Europeanisation in terms of policy outcomes and performance has been much less of a success story". Moreover, during the process of creating a European energy strategy, energy policy has undergone several considerable shifts in the prominence of certain objectives, beginning with competitiveness in the 1990s, then shifting towards energy security as well as climate change in the 2000s, and again competitiveness at the end of the 2000s. The uncertain and ambiguous process of EU energy policy development deserves closer examination in order to see which forces are driving and resisting this development. The puzzle that my research aims to solve is thus the following: how, despite various constraints and heterogeneity, have certain steps, albeit rather modest, towards the development of EU energy policy taken place? My project's research questions speak to the debate surrounding the major developments in EU energy policy:

Why has EU energy policy been subject to changes in prominence through time? What explains the continuous struggles over energy policy development during different periods of time? What role did the EU Commission play in the development of European energy policy?

In answering these research questions I focus on a new way of looking at EU politics and, in particular, at the role of the EU Commission as a political entrepreneur which promotes a long-term pro-growth orientation. By using an historical institutionalist account, I explain that the Commission's forward-looking policy orientation comes from its organizational DNA; i.e. its historical generic make-up established under its predecessor, the High Authority (HA) of the European Coal and Steel Community (ECSC). The Commission's path-dependent long-term policy orientation

is often confronted by the particular, often short term, interests of state and non-state players. This drives continuous struggles and ambiguity at the EU level and, to some extent, shapes the development of EU energy policy. For this reason, I provide additional analytical resources to account for these changes and to reveal the dynamics of contestation surrounding the energy domain.

I look at the operation of EU politics using the neo-Gramscian theory of hegemonisation which helps us to assess hegemonic actions across three dimensions: material, institutional (organisational), and discursive. The historical institutionalist and the neo-Gramscian traditions assume that certain exogenous crises (critical junctures) create an opportunity for players with different interests and ideologies to challenge the existing order by providing a realignment of the material, institutional and discursive domains. One of the main features of the EU energy domain is the fact that, as a response to energy, economic and environmental shocks, the Commission often attempts to promote long-term EU energy policy discourse and to portray its own interests as common European interests. In addition, the Commission and other players often use discursive actions to deal with collective action problems. However, other players with alternative ideologies often challenge the Commission's discourse. In order to reveal the Commission's attempt to use strategic discursive moves, as well as to operationalize neo-Gramscian analytical concepts such as *transformismo*, this theoretical approach must to be supplemented by certain framing devices, including elements of post-structuralist political logics which allow me to track the architecture of policy arguments; i.e. how certain energy policy issues are framed, coupled and decoupled. These post-structuralist logics will be used as descriptive framing elements to help to reveal dynamic struggles and changes at the discursive level. Historical institutionalism, informed by a neo-Gramscian perspective and some elements of post-structuralist understanding, therefore contribute to an innovative approach to

how the Commission operates in the EU political environment. It also allows to me interpret contestations and shifts in European energy policy in a more comprehensive way than other theoretical perspectives allow.

In the subsequent theory chapter (Chapter 1) I present my theoretical approach in more detail, comparing it to more mainstream liberal intergovernmentalist, supranationalist and constructivist perspectives, and I explain why this can more convincingly account for contestations during different phases in EU energy policy. In the remaining sections of this introduction I discuss the complexities of defining energy policy. I then elaborate on some elements of my theoretical approach and introduce the key changes in EU energy policy since the 1990s. Finally, I describe my data collection process and present an overview of the thesis.

1. Defining energy policy

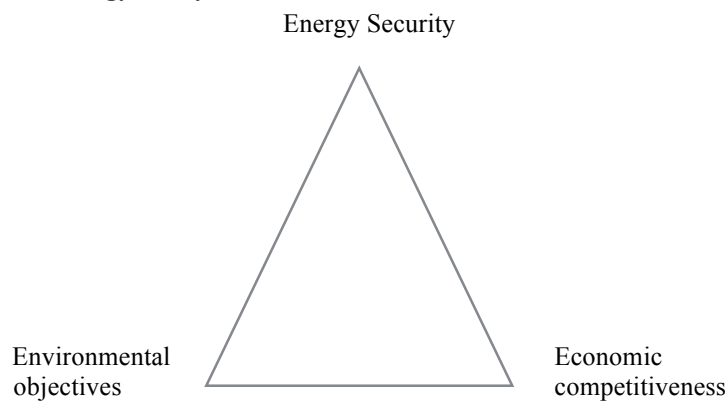
Before assessing changes in the EU energy domain, one needs to understand the concept of energy policy. Defining policy in any area is difficult because any policy context is generally complex and it is often difficult to define the boundaries of a policy area. At the level of policy, everything often seems to influence everything else (Falkner, 2008). Energy is no exception as, being a cross-cutting issue, it interconnects various policy domains, including economy, security, environment and/or transport. For example, Eberlein (2012:150) stated “The convenient label ‘energy policy’ masks a heterogeneous mix of fuel sources, production, distribution and consumption processes, and value chains...Energy policy covers very complex value chains, from upstream energy R/D and resource exploitation to downstream energy use. Finally energy policy is very ‘horizontal’ in the sense of reaching into different issue areas...”. Moreover, states are extremely heterogeneous when it comes to the energy domain. Due to natural monopoly features of physical energy networks in some countries, national energy policies are strongly affected by the particular inter-

ests of “national champions”; i.e. electricity and gas industries. Furthermore, some European countries, such as Bulgaria and Hungary, are completely dependent on Russian gas. Some, such as Spain, rely on Algeria and Northern Africa while others, such as the UK, rely on Norway and their own resources. According to Keppeler (2009:205) “...European efforts to forge a proper energy policy are hampered by the lack of an internal consensus about the nature of the trade-offs between competing policy objectives”. As a result, these complexities and heterogeneities often cause collective action problems in the European energy domain.

Different states, energy organisations and institutions put different emphases on what the main elements of energy policy are. For example, the International Energy Agency (IEA) highlights the security element of energy policy: “the uninterrupted availability of energy sources at an affordable price” (IEA, 2010). US energy strategy focuses on energy independence, job creation, and climate change (Yacobucci, 2014). Energy policy is therefore a contested concept which interconnects different areas. Although the EU does not provide an explicit common definition, it could be argued that factors such as *energy security*, *economic competitiveness*, and *environmental objectives* define EU energy policy. As is argued in the 1995 White Paper on Energy Policy “...energy policy...that reconcile competitiveness, security of supplies and protection of the environment while bearing in mind that the Unions central concerns are...job creation and the quest for greater efficiency in the general business environment...” (EC, 1995a:3). Economic competitiveness is linked with energy prices, innovation and efficiency. Security means granting consumers, the citizens, consistent access to energy. Environmental objectives are based on a respect for the environment. Moreover, one could depict EU energy policy as a triangle (Figure 1). Eberlein (2012:151) explained “From a policy-making perspective, energy policy involves three major policy goals often depicted as the ‘energy policy triangle’...It entails se-

curity of supply (availability of and access to energy sources and fuels) at reasonable price as well as infrastructure security...the second goal is economic efficiency and competition...The third and most recent goal is environment sustainability...”.

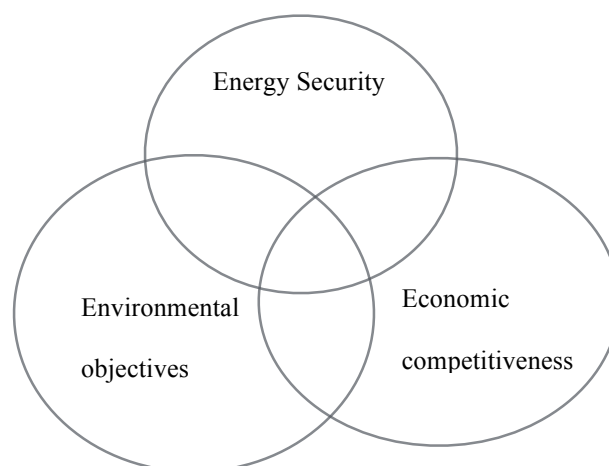
Figure 1. Energy Policy



Source: Author

However, in my research I argue that a better representation of changes in the energy policy domain could be achieved if we analyse energy objectives not as separate, but interacting with one another (Figure 2). It should be pointed out that the prominence of these objectives has changed over time. Moreover, energy objectives are interconnected and can contradict each other, thus opening a space for contention between the different stakeholders involved.

Figure 2. Intersection of Energy Policy dimensions



Source: Author

In my research I argue that, at various times, the prominence of EU energy policy has shifted from one dimension to another, thus affecting the intersection of objectives during a particular phase. Scrase et al. (2009:4) stated “Energy policy em-

braces diverse objectives and instruments and the mix changes over time. In the second half of the twentieth century, industrialised countries shifted from the public provision of adequate supply to a greater emphasis on competition, market forces and private initiatives...The change in emphasis not only reflected developments in energy markets, but also wider political and economic changes". At different times one element of energy policy may gain, as well as lose, prominence. Historical institutionalism, together with the neo-Gramscian and post-structuralist theoretical approaches, is better able explain the role of the EU Commission in promoting forward-looking EU energy policy through different shifts. The development of EU-wide energy policy touches on the core of a nation's sovereignty by dictating that it commits to European energy policy rules and regulations as parts of national policy-making in this area are moving over to the EU. This may trigger contestations between the Commission and other state and non-state players.

There have been distinctive changes in the prominence of EU energy policy since the 1990s. First, at the end of the 1980s, as an integral part of the single market agenda, the Commission began to focus on the issue of market liberalisation. Moreover, due to changing economic, energy supply and environmental circumstances at the end of the 1990s, energy policy began to shift away from the markets and liberalization agenda towards energy security and climate change constrains. The Commission's Green Paper "Towards a European Strategy for the Security of Energy Supply", released in 2000, gave a warning regarding Europe's dependence on imported energy. The document, which focuses on the use of domestic energy sources, was released following a tripling of the oil price that led to protests in Europe. In the mid of 2000s the issue of climate change became the central point around which other dimensions of energy policy were formulated. The Commission attempted to link the advantages of renewable energy, energy efficiency and the reduction of CO₂ emis-

sions within a new economic order based on low carbon energy use. At the end of the 2000s, the economic/financial crisis slowed progress towards energy and climate integration and raised concerns regarding competitiveness and economic growth. I will elaborate further on these shifts in sections 3 and 4. Having defined the concept of energy policy and identified the major changes in EU energy policy, the next section will briefly outline the main features of my theoretical approach.

2. Theoretical perspective: embedded contestation between heterogeneous interests and ideologies

My research proposes a distinctive way of looking at EU politics, and particularly at the role of the EU Commission. Moreover, I am looking at the operation of EU politics through the theoretical lens of a neo-Gramscian approach informed by the historical institutionalist perspective and some elements of the post-structuralist account. Before moving to the neo-Gramscian perspective and its contribution to explaining processes of struggle and hegemonisation in EU energy policy, one needs to understand the mechanisms of the EU institutional setting. In this respect, historical institutionalism, with its more organisational focus, helps us to investigate the context in which EU institutional design was formulated, while revealing the interests of the key forces involved in the mechanisms employed by this design. In addition, at the organizational level, historical institutionalism has much in common with Stinchcombe's (2000) notions of *imprinting* and *historical causation*, according to which organisations are shaped by both their external environment and by powerful founders who create certain *birth marks* that continue to affect an organization's behaviour in the long run (Wille, 2013). In other words, I shed the light on how hegemonic struggles are mediated by institutional and governance setting in which they take place. The central claim of historical institutionalism is that choices taken when an institution is being formed have constraining effects on future policy actions. Accord-

ing to Greener (2005:62) “‘History matters’ because formations put in place in early stages of an institutional...life effectively come to constrain activity after that point”. In order to understand the complexities of EU institutional governance and the role of EU Commission, one must trace the origins of this supranational body and examine the creation of the main EU institutions.

One of the central arguments of my research is that the EU Commission is interested in both long-term perspectives and economic growth which, together, could be defined as “*economic development*”. Economic growth is just one aspect of the process of economic development. In other words, I argue that the Commission is interested in broader, more inclusive growth that advances future economic well-being and benefits for wider sections of society rather than just increases in economic output. In addition, the Commission tries to construct consensus and address collective action problem. Today’s EU Commission originated from the High Authority (HA) of the European Steel and Coal Community, an institution which since its creation in the 1950s has promoted broader, longer-term thinking. The main principles of the HA’s modus operandi was influenced by the culture of French public administration, based on the principles of dirigisme, or state planning, and intervention in the economy that always involves taking a broader view (Gillingham, 2003); (Wille, 2013). Jean Monnet, a French political economist and diplomat, and his small band of friends and advisors could be regarded as the Commission’s founding fathers (Burgess, 2000) (Hooghe, 2001). Moreover, one could argue that the initial objective of the European project was to bring peace to Europe (Tovias, 2000). Peace and economic development were considered as interdependent elements. The Commission’s interest in long-term development/growth comes from the fact that continuous mutually beneficial economic development in the region contributes to the preservation of peace. The EU Commission was thus established to facilitate long-term economic

development in Europe. In addition, the Commission is interested in economic growth as it is much easier to promote long-term policies, and to persuade other stakeholders, when growth is more inclusive and wide-spread and when short-term constraints do not undermine a long-term perspective. Furthermore, the EU Commission's role in fostering dialogue and cooperation between different stakeholders originates from the HA's historical mandate to chair the Consultative Committee, an advisory committee which tried to find a common ground between different stakeholders in the ECSC (Dufresne, 2006).

In outline, in my research I argue that the EU Commission is a long-term pro-growth oriented EU institution that shares some similarities with national governments, but also differs in many respects. For instance, compared to national governments, the Commission lacks “hard” power to promote policies by military and/or significant financial means. In addition, the Commission's legitimacy does not necessarily depend on the success of its economic and social policies as it is not directly elected by citizens in the EU. Although it could be argued that, to a certain extent, progressive¹ businesses play an important role for the realisation of the Commission's forward-looking policies, businesses in general do not have direct structural power over the Commission's decision making as they do with national governments who depend on them for tax revenue or the provision of employment (Gill and Law, 1993). In other words, compared to national governments, the Commission's legitimacy and survival does not necessarily depend on the success of businesses. In Chapter 1 I am going to elaborate on the distinction between the Commission and state vis-à-vis capital.

¹ Efficient, dynamic, forward looking, innovative, sustainable businesses

Despite the lack of certain material powers, the Commission is able to propose and lead policies in certain directions by focusing on other levels, such as the discursive. The Commission's visionary role and its ability to steer the long-term developments of the Union is embedded in its historically constructed institutional nature which leads to a path-dependent tendency to think more broadly and longer-term. According to Nugent (2000:27) "...the Commission is much more than an administrative institution, implementing, servicing, and coordinating the ideas, the needs, and the decisions of others. It is also a proactive policy-oriented institution". Due to the complex and multi-faceted nature of EU governance, other players may contradict the Commission's long-term orientation through strategic actions and competing ideologies.

There may be different visions within the Commission, and between different Commissioners, on what constitutes long-term development and which forward-looking pro-growth policies should be adopted. Moreover, the Commission's long-term policy may be in conflict with other EU institutions, such as the European Parliament, and these positions can be ambiguous, depending on the composition of the institution and the issues under discussion. Furthermore, it could be argued that the Commission's path-dependent long-term European interests are in conflict with the particular, often short-term, interests of member states as well as certain capital groups. EU member states have always been important players in the European energy policy domain. Historically, national states were the main players in energy field, not least because energy has always been treated as strategic policy sector closely related to security and economic stability. Within EU institutional governance, states act through the EU Council where they express positions and defend their interests. Countries are not unanimous as different states often have distinct models of economic growth that are fuelled by different energy sources (Newell and Paterson, 1998).

When it comes to the European context, one could argue that, historically, the support of certain governments for the creation of the ECSC was generated by the structural power of certain capital groups (industries, business associations). The decisions of national governments in the energy domain are, to some extent, constrained by the structural power of certain business groups which are directly affected by developments in EU energy and climate policies.

Although historical institutionalism helps to reveal the “path-dependent” features of EU institutions, and the deeper structural conditions that empower or limit certain hegemonic projects, it is not able to account for the processes of struggle and change very well. In order to reveal the use of hegemonic strategies, and to account for the conflicts and dynamics of change in EU energy policy, some additional resources are needed. In this respect, the neo-Gramscian theoretical approach can help to account for such dynamics and thus explain how the Commission has pushed energy hegemonisation through the alignment of material, institutional and discursive powers. Moreover, the historical institutionalist and neo-Gramscian traditions assume that certain exogenous crises (critical junctures) make players more cautious and create an opportunity for actors with different interests and alternative ideologies to challenge the existing order by providing for the realignment of the material, institutional and discursive domains (Jagers et al., 2004). It could be argued that climate change, and economic or energy security crises in the energy domain, can create useful openings for actors wishing to advance their alternative interests and ideas through the process of hegemonisation.

In the neo-Gramscian tradition there are two types of strategies for hegemonisation. First, a *war of position* refers to gradually building hegemonic order through the alignment of material (technological development, financial instruments), institutional/organisational (stabilization through the rules and regulations and/or manipula-

tion with dimensionality of issues) and ideational (discursive strategies) dimensions (Levy and Newell, 2004). Second, *passive revolution* explains what happens when a hegemonic bloc is challenged. It represents the reorganisation of power to preserve the dominant class hegemony through *transformismo*, a strategy which allows an understanding of how an existing bloc attempts to organise a coalition of interests in order to incorporate and rearticulate potentially dangerous ideas (Gramsci, 1971).

Hegemony is always contested by competing energy discourses. In order to flesh out how the Commission and other players construct their hegemonic ideas and arguments, as well as to operationalize some of neo-Gramscian concepts such as *transformismo*, I use the post-structuralist *logics of equivalence* and *difference*. I am not applying the poststructuralist ontological position which ascribes causal impact to ideas. In my project political logics are used only as a *descriptive framing device* to show how different players try to couple or decouple different policy demands in the overall contestation of energy policy hegemonisation. The logic of equivalence helps to grasp the way in which political frontiers are constructed via the linking together of social demands and identities, while the logic of difference captures the way in which demands are negated, disarticulated, mediated and negotiated by various institutions. In addition, I will explore how, in the process of discursive contestation, civil society groups and organic intellectuals play an important role in using various rhetorical strategies, including narratives, generative metaphors and new discursive categories, in order to assess the architecture of the policy arguments used by different groups to justify, legitimize or denounce certain policy decisions. The objective of discursive analysis is to identify the formation of competing discourses, i.e. to explore how they mutate, are superseded or collapse. Furthermore, I argue that in the process of hegemonisation the Commission often uses discursive elements in order to address collective action problems. The Commission, supported by scientists, academics and

other intellectuals that could be regarded as Gramscian organic intellectuals, attempt to address collective action problems through the use of motivating myths, the powerful narratives which orient and motivate different players towards unity (Augelli and Murphy, 1997). In Chapter 1 I will thus be looking at the integration of historical institutionalism with the neo-Gramscian and post-structuralist theoretical approaches in more detail. In addition, I will defend my theoretical approach towards EU politics vis-à-vis liberal intergovernmentalist, supranationalist and constructivist approaches.

3. European energy policy developments: a historical perspective

Before becoming an important part of the European policy agenda, energy was considered an exclusively national issue. After the Second World War, energy supply was the main concern of those European countries which were trying to recover from the destruction caused by the war. One of the first steps was the establishment of the European Coal and Steel Community (ECSC) in 1952, followed by the set-up of a common policy for the nuclear sector via Euratom. In the 1960s there was the lack of a common strategy in EU energy policy. As Eberlein (2012:151) pointed out “This brings us to two key obstacles to Europeanisation: heterogeneity of national resource situation and preferences; and the national entrenchment of the electricity and gas industries in particular”. The Commission began to deal with the issue of balance by submitting the Memorandum on Energy policy in 1962 and the First Orientation to a Common Energy policy in 1968. Referring to this period Molle (2006:190) explained “It reflected the fundamental problems of the EU energy position and established the principles of EU policy, namely to ensure supply at the lowest possible price, with due regard to the specific structure of the energy sector”. The struggle between national energy policies and a common EU policy continued during this time. During the period from 1957 until the mid-1960s, energy was not a primary issue on the European policy agenda (Andersen, 2001). In 1968 the Commission

played an important role in establishing the first guidelines towards a common European energy policy. As Haghghi (2007:47) explained “Dependence on imports...was seen by the Commission as an opportunity to exert more influence on the world market by adopting a common approach”. It was therefore not until the end of the 1960s that the need for a common energy policy strategy arose.

European-wide attention to energy challenges emerged during the 1970s and the beginning of the 1980s. This period was associated with problems of oil supply and prices, in particular when the members of the Organization of Arab Petroleum Exporting Countries (OPEC) proclaimed an oil embargo to western markets. As Scrase et al. (2009:8) pointed out “In 1973/4 a combination of Middle East conflict and concerted action by OPEC pushed up oil prices dramatically – almost five-fold in two years”. The price increase had serious economic effects, while also raising questions about national and global longer-term dependence on finite fossil fuel reserves. At that time the EU encountered two major problems: insecurity of supply and the instability of energy prices (Molle, 2006). The Commission tried to address long-term issue of over-reliance on external supplies and prepared a Communication to the Council. Haghghi (2007:52) stated “In 1972, the alarm of increasing reliance on external supplies resonated more vigorously and the Commission sought to outline the problem in a Communication to the Council”. Nevertheless, in the 1970s, despite the Commission’s attempts the response to the crisis was rather individual and very diverse. According to Haghghi (2007:53) “...the differences among Member States’ strategies to guarantee this security created barriers to reaching a common policy as desired by the Commission”. Despite recognition of common problems, there was thus a lack of interest in dealing with energy issues in a cooperative manner.

One could argue that, during the second half of the 1980s, there was a major shift in the European energy domain as several important initiatives at the EU level

brought liberalisation and competitiveness to the forefront. Since the late 1980s Europe has tried to rebuild its efforts to develop a common energy policy. As Haghghi (2007:62) claimed "The Commission stated the need for the establishment of an internal energy market and analysed the obstacles of the creation of such market in Europe". An attempt to foster a common policy was partly influenced by growing long-term accumulation problems. As Helm (2007:35) argued "...the sharp recession in the early 1980s reduced growth below the level that had been predicted in the 1970s...and then changed the composition of developed economies more towards service and away from energy-intensive industries...". In the subsequent parts of this chapter I will identify the key changes in the EU energy policy domain in the last 20 years. Despite common objectives to ensure security of supply, competitiveness and care for the environment, one could argue that the prominence of these elements has shifted over time with certain elements gaining or losing prominence in EU energy policy.

4. Key shifts in EU energy policy 1990s-2013

My research will account for contestation through different shifts in EU energy policy from the 1990s until 2013. The time period covered by my study can be justified by the changes in the EU's institutional framework, as well as the increased role of energy in the European policy domain. First, on 1 November 1993, following the adoption of the Maastricht Treaty, the European Union was created. Moreover, it was not until the Maastricht Treaty that energy was first mentioned at the level of primary law (Falkner, 2008). Before the end of the 1980s and beginning of the 1990s, security of supply issues dominated the European energy agenda. At that time it was often argued that these challenges could be addressed at the national level. However, in the early 1990s, energy began to be seen as an inseparable part (a cross-cutting issue) of tackling other important long-term challenges, such as the decline in EU

competitiveness and growing climate challenges pushed by the UN after the establishment of the Intergovernmental Panel on Climate Change (IPCC) in 1988 (UNFCCC, 2014). Energy policy became a major element of the EU approach to the common market and climate change (Commission of the European Communities, 1988). In 1994 the Commission proposed a Green Paper on energy, "For a European Union Energy Policy", in which, for the first time, it laid out European-wide energy priorities. The 1994 Green paper argued "Whatever the energy resources of each Member State and whatever their respective energy balance, the Community as a whole has to respond to the challenges of industrial competitiveness, security of supply and environmental protection. The energy policy of the Community has to answer these challenges and optimise the diversity of national and regional energy portfolios for the overall benefit of the Community" (EC, 1995b).

I start my research in the 1990s with a narrow account of energy policy, centred on the policies and actions of DG Energy. This distinction is made because throughout the 1990s at the EU level among policy-makers energy and climate were perceived as separate issues that were dealt with to a large extent in a non-complementary way. There was a lack of cooperation between energy and climate commissioners as well as their respective services. In addition, energy and climate domains were fully merged only in the mid-2000s with the promotion of the 2020 climate and energy package. This also explains why this research is less focused on the discussion of more climate-oriented policies in the 1990s, including EU ETS and the EU carbon tax debates that were primarily run by DG Environment.

In the following subsections I will briefly identify and describe different phases of EU energy policy developments, which will also determine the general structure of later empirical chapters. The aim is to show that there have been distinctive shifts in the prominence of various EU energy policy elements since the 1990s. In the sub-

sequent empirical chapters I will look at contestation through these energy policy shifts in much more detail, focusing on the role of the Commission in promoting its long-term goals.

4.1. Energy market liberalisation and competitiveness

In the mid-1980s, the Commission of the European Communities (today the EU Commission) began a major programme of economic restructuring. Responding to the growing challenges of globalisation, a lack of competitiveness with regards to major economic rivals, and the rise of unemployment, the Delors Commission, influenced by neoliberal economic ideology, proposed an economic programme to create a single European market which would bring long-term economic benefits. Energy was considered as one of the pillars of the success of the single market. According to Andersen (2000a) "...a number of important EU initiatives have been taken to strengthen the supranational influence over particular energy sectors. Such changes are in line with, but unique versions of, global trends towards liberalisation". In Chapter 2 I will thus analyse and explain the efforts of the Commission-led pro-liberalisation bloc to make significant steps in the direction of energy liberalisation.

At the end of 1980s and the beginning of 1990s, the Commission was actively involved in energy market liberalisation. For example, Andersen (2001:110) claims "The Commission took a close look at energy sectors in Europe within the framework of the internal market programme...It was primarily in the gas and electricity sector that there was a need for new directives". One could claim that historically natural monopolies, i.e. vertically integrated companies responsible for production, supply, and delivery, have dominated the EU electricity and gas markets. Moreover, the promotion of competition in the energy sector has been regarded as a necessary instrument to increase efficiency gains, reduce energy prices, and facilitate higher standards of services. As Haghighi (2007:104) argues "The necessity of introducing competi-

tion in the energy sector, along with the fast development of integration in other sectors (especially since the creation of the Single European Act in 1986), finally led to the creation of laws that specifically addressed the integration mechanisms in the energy sector”. The competitiveness dimension in energy markets has therefore become a central aspect of EU actions in the energy domain.

In 1989 the Commission proposed the introduction of elements of liberalisation and competition in electricity and gas supply markets. In the early 1990s, the essence of energy market liberalisation policy was defined by the idea of third party access (TPA) to grids and pipelines (Buchan, 2009). By opening access to all customers, the EU anticipated helping smaller companies to compete in a market which was always dominated by large vertically-integrated energy corporations. Alessandro Ortis (2011:132) pointed out “The Internal Energy Market (IEM) was originally conceived as a single EU-wide space where energy producers and consumers could undertake transactions without distinctions as to nationality, activity, size, or any other characteristic”. In 1995, the Green Paper “For A European Union Energy Policy” focused on the strengthening of Europe's overall competitiveness. As is argued in the 1995 Green Paper, "...Green paper seeks to contribute to the definition of a new framework for the sector which would accommodate continuing changes and, at the same, time contribute towards the overall competitiveness of our economies" (EC, 1995b:5). By the mid-1990s, the EU adopted its first legislation for the liberalisation of electricity and gas markets. With this legislation, the Commission aimed to set a common framework for energy market regulation.

4.2. Energy security challenges and growing climate constraints

As was argued earlier in this chapter, throughout the 1990s EU energy policy was focused on liberalisation (i.e. competition). However, during the second half of the 1990s, due to changing economic, energy supply and environmental circumstances, energy policy began to shift away from the markets and liberalisation towards energy security and growing climate change constraints (interview 26). As a response, in November 2000, the Commission published the Green Paper “Towards a European Strategy for the Security of Energy Supply”. This document was released following a tripling of the oil price which led to massive protests over rising fuel prices, a situation which the Commission regarded as a structural weakness of the European growth model. As it is argued in the 2000 Green Paper “The European Union’s long-term strategy for energy supply security must be geared to ensuring, for the well-being of its citizens and the proper functioning of the economy, the uninterrupted physical availability of energy products on the market. The European Union now has to face new challenges characteristic of a period of profound transition for the European economy” (EC, 2000a:2). In response, at the end of the 1990s and the beginning of the 2000s, discussions in Brussels largely focused on the nuclear option in order to address growing security and climate challenges. In Chapter 3 I will thus analyse how the EU Commission used the nuclear link to facilitate energy security and climate integration. In addition, I will evaluate the material, institutional and discursive strategies of different capital groups, state and non-state actors in this energy policy transformation.

During the second half of the 1990s, the environmental dimension was seen as a growing challenge to long-term growth. The 2000 Green Paper on energy released by the Commission underlined that challenge: “...climate change...is a fact and it poses a threat to harmonious world development. Today, security of supply on Eu-

rope's energy market must take account of the imperative to combat climate change..." (EC, 2000a:46). This movement towards addressing climate change was partly driven by the Kyoto Protocol in which the EU in general, and the Commission in particular, played one of the leading roles. As was explained by the Commission in the 2000 Green Paper "As for the struggle against climate change, this is a major battle. Climate change is a long-term battle for the international community. The commitments made in the Kyoto Protocol are only a first step" (EC, 2000a:3). Moreover, in 2001 the Commission formulated and released "A Sustainable Europe For a Better World: A European Union Strategy for Sustainable Development", a long-term strategy to reconcile policies for economically, socially and environmentally sustainable development. One of the main objectives of this strategy was the fight against climate change. According to the 2001 Sustainable Development Strategy "Emissions of greenhouse gases from human activity are causing global warming. Climate change is likely to cause more extreme weather events (hurricanes, floods) with severe implications for infrastructure, property, health and nature" (EC, 2001a:4). Climate change thus began to be viewed as urgent challenge to Europe's long-term development.

In its initial response, at the end of the 1990s and beginning of the 2000s, the Commission wanted to reconcile the security and environmental dimensions by focusing on the development of nuclear policy. Although there were certain renewable energy developments in 1997, when the Commission proposed an indicative objective for renewable energy to reach 12 per cent of total electricity consumption, discussions were mainly focused on nuclear power and its role in EU energy policy. The EU Commission and Energy Directorate in particular began to treat nuclear as one of the most reasonable solutions to deal with growing issues of security of supply and the Kyoto commitments. As a result, in 2002 the Commission proposed "The Nuclear Package", a policy strategy which strived to introduce a common EU approach on

nuclear safety standards and nuclear waste disposal. At the beginning of the 2000s, the Commission therefore tried to address security and environmental challenges through this nuclear option. In the following section of this chapter I will show how, in the mid-2000s, European energy policy discussion shifted even more towards the climate-oriented dimension with the main emphasis on renewable energy and, later, energy efficiency.

4.3. Energy policy integration: the growing prominence of the climate dimension

In the mid-2000s the issue of climate change became even more prominent in the EU energy domain. According to Buchan (2009:1) “Climate change is transforming energy policy in the European Union. The scale of the problem – the risk of irreversible warming from the world overdosing on fossil fuels – dwarfs Europe’s more traditional preoccupations with energy market structures and stable supply. EU member states automatically look to their Union for solutions to the ultimate cross-border problem, in a way that they have never done with other aspects of energy policy”. Moreover, the issue of climate change became central, around which the other dimensions of energy policy were formulated. Eberlein (2012:164) explained “The climate change challenge was the best policy window for Union action on energy that the Commission could have wished for”. Moreover, the energy security dimension maintained its prominence in EU energy policy. In 2006 the Commission proposed a new energy Green Paper “A European Strategy for Sustainable, Competitive and Secure Energy” in which it attempted to integrate actions against climate change with security and economic benefits. The 2006 Green Paper underlines the emergence of new energy landscape “This is the new energy landscape of the 21st century. It is one which the world’s economic regions are dependent on each other for ensuring energy security and stable economic conditions, and for ensuring effective action against

climate change. The effects of this landscape are felt directly by everyone. Access to energy is fundamental to the daily lives of every European. Our citizens are affected by higher prices, threats to the security of supply and changes to Europe's climate" (EC, 2006a:4). In Chapter 4 I will therefore analyse how the Commission and other players used the opportunity of emerging exogenous crises to attempt to repackage EU energy policy in a hegemonic way. The aim was to convince the public that sustainable low carbon energy policy was important not only for climate (environment) issues, but also for economic competitiveness and security, i.e. in order to link different demands together.

In January 2007 the EU Energy Commissioner presented policy guidelines for energy and climate integration in the form of "An Energy Policy for Europe". As was pointed out in the document "The point of departure for a European energy policy is threefold: combating climate change, limiting the EU's external vulnerability to imported hydrocarbons, and promoting growth and jobs..." (EC, 2007a:5). The Commission's 2007 Strategic Energy Review proposed a unilateral commitment to reduce CO₂ by 20 per cent by 2020. In 2006, the Commission published a Renewable Energy Roadmap outlining a long-term strategy. It called for a 20 per cent share of renewable energy in the EU's total energy mix by 2020 (EC, 2006b). EU leaders endorsed this target in March 2007. Moreover, other important steps were taken in the biofuels area at this time: EU leaders decided that, by 2020, biofuels should account 10 per cent of all transport fuels (EC, 2007b).

In January 2008, the European Commission unveiled "20 20 by 2020: Europe's climate change opportunity", an ambitious package of proposals to fight climate change and promote renewable energy in line with EU commitments. The main objective of this package was to adopt the so called "20 20 20" targets: A 20% reduction CO₂ emissions from 1990 levels; raising the share of renewable resources to

20%; and a 20% improvement in the EU's energy efficiency (EC, 2008a). According to the package “2007 marked a turning point for the European Union's climate and energy policy. Europe showed itself ready to give global leadership: to tackle climate change, to face up to the challenge of secure, sustainable and competitive energy, and to make the European economy a model for sustainable development in the 21st century” (EC, 2008a:2). Furthermore, less than a year later in December 2008, “The Integrated Energy and Climate Change Package” with its 20 20 20 targets was agreed. The EU gradually therefore became one of the leading proponents of green energy investments. In the following section I will explain how, in the context of economic and social crises, integrated EU energy and climate policy began to lose coherence and prominence.

4.4. The shift towards competitiveness

During the second half of the 2000s, concerns were raised regarding the competitiveness and economic growth aspects of EU energy policy, as the economic/financial crisis slowed progress towards energy and climate integration. The first evidence of the loss of energy-climate momentum came in late 2010 with the presentation of “Energy 2020 – A Strategy for competitive, sustainable and secure energy”. As was stated here, “Energy is the life blood of our society. The well-being of our people, industry and economy depends on safe, secure, sustainable and affordable energy. It will take decades to steer our energy systems onto a more secure and sustainable path. Yet the decisions to set us on the right path are needed urgently as the costs for consumers...put Europe’s competitiveness at risk” (EC, 2010a). Moreover, in December 2011, the Communication “Energy Roadmap 2050” was adopted. The roadmap called on the EU to move to a low carbon economy via a substantial rise in renewable energy, significant energy savings, and other measures. The principal message of this document was the goal to move to secure, competitive and decarbonised

energy by 2050 (EC, 2011a). Despite its attempts to keep energy-climate integration intact, the roadmap highlighted certain trade-offs with regards to long-term decarbonisation policy. According to the 2011 Energy Roadmap 2050 “A potential trade-off between climate change policies and competitiveness continues to be a risk for some sectors...Europe cannot alone achieve global decarbonisation...the energy system transition should avoid industry distortions and losses especially since energy remains an important cost factor for industry” (EC, 2011b:9). Following intensive discussions, the Energy Roadmap 2050 was opposed by a number of states and industrial players, and was eventually vetoed by Poland (Keating, 2012a). Moreover, some of the largest industrial corporations warned about growing European energy costs and an emerging gap in competitiveness (Wiesmann, 2012). Given these growing contradictions between different dimensions of EU energy policy, in 2011 the Commission tried to reconcile them by focusing on a new energy efficiency strategy. As is explained in the 2011 Energy Efficiency Plan “...the Union has set itself a target for 2020 of saving 20% of its primary energy consumption compared to projections, and...this objective was identified in the Commission’s Communication on Energy 2020 as a key step towards achieving our long-term energy and climate goals” (EC, 2011c:2). In Chapter 5 I will explain the growing prominence of the competitiveness and growth dimensions in European energy policy. I will analyse how the economic crisis and growing production of unconventional oil and gas, mainly in the US, undermined the low carbon order, created discrepancies within the hegemonic bloc, and raised accumulation-legitimation tensions.

5. Data collection

The process of data collection is based on a structured and focused comparison method (George and Bennett, 2004). I began the process by setting research questions which were linked to my research objectives. In addition, these questions were

repeated in the analysis of each of the empirical chapters (Chapter 2, 3, 4, 5), thereby standardising data collection. According to George and Bennett (2004:67) "...the researcher writes general questions that reflect the research objective and that these questions are asked of each case under study to guide and standardise data collection...". Moreover, data was collected from both primary and secondary sources. Direct observations came from 30 semi-structured elite interviews which covered the entire chain of key stakeholders and decision-makers relevant to my research, including officials from the Commission, Council of the European Union, European Parliament, civil society groups (mostly environmental NGOs), business associations/lobby groups, national representations at the EU, and energy experts. The interviewees were selected on the basis of positional and reputational samplings. In trying to locate potential interviewees I consulted conference programmes, articles, and the electronic directories of the EU. The interviews were conducted in two phases. The majority were conducted in Brussels and Vilnius between October-December 2012. The second phase took place in Brussels in September 2013. Due to confidentiality constraints, the list of interviewees could not be included in this project. Every interviewee was given a number by which they are referred to in this research. Furthermore, one of the main features of this data collection is that I have tried to get as close to the real decision making process in the EU as possible. In writing this research, I have done two six-month traineeships in the Council of the European Union and in Lithuania's Permanent Representation to the EU in Brussels. During these internships I was able to learn how EU decision-making is conducted on the ground, and also had the opportunity to attend important working parties and ambassadorial-level meetings which gave me a greater understanding of how EU decision-making processes work, and how different players formulate and promote their arguments. In addition, daily conversations with my traineeship supervisors and other experienced officials in the

EU were extremely beneficial sources of information which I used in writing this research project.

The documents analysed include EU treaties, EU Green/White Papers, press releases, primary policy papers/reports, corporate reports, and position papers. Most of these documents were obtained either via the Internet or through archival research in the libraries of EU institutions (the Commission and the Council Secretariat of the EU). In addition to this primary research, I consulted newspapers/magazines (European Voice, EUobserver, EurActiv, Financial Times, The Economist, The New York Times, The Wall Street Journal, Forbes, The Guardian, The Telegraph, Platts, and Libération) and major news websites (Reuters, BBC, CNN, Bloomberg).

Overview of the Thesis

The current chapter has so far presented energy policy definitions, introduced the reader to the neo-Gramscian and historical institutionalist theoretical frameworks, identified major developments and shifts in the EU energy policy, and explained the role of other actors involved in energy policy contestations.

Chapter 1 presents the neo-Gramscian theoretical perspective, supplemented by certain elements of the historical institutionalist and post-structuralist approaches, as well as alternative theoretical frameworks for interpreting shifts in EU energy policy since the 1990s. The central assertion is that the EU Commission is a long-term oriented EU institution which promotes forward-looking policies through material, institutional and discursive dimensions. However, Commission's long-term view often clashes with particular, often short-term, interests promoted by state and non-state players. This contestation between different players is manifested in the neo-Gramscian hegemonisation process.

Chapter 2 analyses contestation over EU energy market liberalisation. I will assess how a pro-liberalisation bloc tried to make significant steps in the direction of an internal energy market. In addition, I will explain the first attempts by the Commission and other players in the pro-liberalisation group to lead a neo-Gramscian war of position in order to challenge monopolistic energy structures. Moreover, the anti-liberalisation bloc's actions to undermine the creation of a competitive energy market will be analysed.

Chapter 3 interprets how the prominence of EU energy policy shifted towards energy security and climate change. It explores how, at the end of 1990s, the Commission interacted as a strategic entrepreneurship and promoted the nuclear option in response to growing security and climate challenges. The Commission tried to lead the transition towards a new energy reality in which European energy policy would be transformed by taking into account a longer-term perspective. This chapter analyses the material, institutional and discursive strategies of capital groups, state and non-state actors in energy policy transformation.

Chapter 4 analyses and explains how, in the context of an emerging organic crisis, the Commission and other players have pursued a war of position in order to create a new historical bloc for a low-carbon EU energy policy. The bloc led by the Commission attempted to diversify and to link together a range of demands in order to confront the carbon-based accumulation model which was considered as unsustainable in the long-term.

Chapter 5 assesses how, given growing economic and financial challenges, an integrated EU energy and climate policy began to crumble and lose prominence. This chapter explains the changing prominence of the competitiveness and growth dimensions in EU energy policy. It analyses the role of specific state and non-state actors in their attempts to challenge progress towards a low carbon future.

Finally, the Conclusion summarises the empirical and analytical findings. It also considers potential alternative explanations in light of the empirical findings. The chapter concludes by discussing the distinctive role of the Commission in developing an EU energy policy oriented towards the long-term, and by outlining the implications and relevance of this research for studies which focus on the operation of EU politics in general, the Commission's role in particular, as well as for practitioners directly involved in EU institutional governance. Moreover, I will discuss likely future developments in the EU energy policy area.

Chapter 1

Contestation and changes in the EU energy domain: theoretical reflections

Introduction

The European energy sector was, for a long time, governed primarily at the national level. However, over the last twenty years there have been several major shifts in the development of EU energy policy. At the end of the 1980s, EU energy policy began to focus on liberalization as the Commission began to agitate against energy monopolies and started to search for new solutions in this policy domain. Moreover, following the oil price shock and the accumulation of evidence regarding the seriousness of global warming at the end of the 1990s, the focus of EU energy policy began to move away from markets and liberalization agenda towards energy security under growing climate change constraints. The Commission reacted to these new challenges by trying to coherently address the issue of overdependence on energy imports, as well as action against climate change, through the nuclear energy option. As a result of growing evidence of the seriousness of climate issues in the mid-2000s, the issues of climate change and decarbonisation became the central elements around which the energy security and competitiveness dimensions were integrated. Moreover, the Commission attempted to link the advantages of renewable energy, energy efficiency and the reduction of CO₂ emissions, with a new economic order based on low carbon energy use. At the end of the 2000s the economic/financial crisis slowed progress towards this low carbon future, diminishing the energy and climate link, and raising concerns over costs, competitiveness and economic growth. Due to the complex and heterogeneous nature of EU energy policy, different actors with competing ideologies entered into contestation at the EU level in order to portray their own interests as common European interests.

In explaining shifts in the prominence of energy policy, this research aims to account for struggles during different energy policy phases, and to explain the role of the EU Commission in providing a forward-looking pro-growth orientation. Towards this goal, I use theoretical resources from the neo-Gramscian and historical institutionalist perspectives, as well as certain elements of post-structuralist discourse analysis. In short, I will integrate these theoretical resources in the following way. First, neo-Gramscian analytical concepts can help to account for change, the dynamics of contestation and to explain how the Commission and other players have pushed energy hegemonisation policies through the alignment of the material, institutional and discursive levels of power. Nevertheless, before analysing hegemonic struggles one must reveal the mechanisms of the EU institutional and governance setting. This allows us to better understand the motives and interests of the players involved in the decision-making process. I use the historical institutionalist approach to reveal the creation of EU institutional and organisational design in which the Commission was established as a long-term and pro-growth oriented institution. Moreover, lacking the material resources for their strategies of hegemonisation, the Commission and other players often rely on discursive formations. Due to the fact that there is no single agreed way in which to develop competitive energy policy, to react to energy security challenges, or to foster a green energy future, the Commission's discourse is often challenged by alternative discourses. In order to reveal the Commission's attempt to use strategic discursive moves and to explore the contestation of different ideas, the theoretical approach must be supplemented by certain descriptive framing devices, including elements of post-structuralist political logics. In the remaining parts of this chapter I will argue that some of the existing mainstream approaches are not able to fully account for certain aspects of energy policy developments.

This chapter is divided into several sections. In what follows I will present my theoretical model based on neo-Gramscian and historical institutionalist accounts, supplemented by some elements of the post-structuralist perspective. Moreover, I will explain why this framework is relevant when accounting for conflicts within the formulation of EU energy policy, and for analysing the role and influence of the Commission and other state and non-state groups in leading the construction of the EU energy order. At the end of this chapter, I will assess the possible contributions and pitfalls of alternative theoretical approaches. It should be pointed out that I do not intend to provide a thorough analysis of the general differences and similarities between these theoretical frameworks, but rather I will look at those aspects that are relevant to my research questions.

1. Historical institutionalism and the creation of EU institutional governance

Before elaborating on the neo-Gramscian theory of hegemony in the following section, it must be explained how the struggles between different players are mediated through the historically established mechanisms of EU institutional decision-making. Contestations surrounding the EU energy domain cannot be explained by simply referring to the relevant players in these struggles, and denying the importance of EU institutional decision-making mechanisms. In other words, one must reveal the historically created EU institutional context that, to some extent, affects the identities and motives of players in these struggles. I thus use the historical institutionalist perspective in order to reveal how these path-dependent conditions are historically rooted in the EU's institutional and organisational set-up. The rest of this section will focus on the historical institutionalist explanation of the origins of the EU in general, and the role of the EU Commission in particular.

Historical institutionalism is a broad theoretical approach that covers a diverse range of scholarship. As Pierson (1994:10) points out “Historic Institutionalism is a

loose term governing a range of scholarship that has tried to combine social science concerns and methods with a recognition that social processes must be understood as historical phenomena”. Historical institutionalists have been strong proponents of an image of social causation that is “*path dependent*”. There has been lack of attention to revealing the historically created organizational character and architecture of European institutions (Balding and Wehrenfennig, 2011). One could argue that an organization’s architecture establishes patterns of incentives and expectations for its members, through which they and the institution coalesce around broader rules, norms, and practices. The dynamics of path dependence ensure that the creation of institutions can explain the underlying orientation of their subsequent actions. The notion of path dependence usefully focuses attention on the founding conditions of institutions and organisations (Suddaby and Greenwood, 2009). According to Thelen (1999:385) “once a path is taken, then it can become ‘locked in’, as all the relevant actors adjust their strategies to accommodate the prevailing pattern”. In order to understand the complexities of EU institutional governance in general, and in the energy domain in particular, one has to trace the origins of this supranational body and its creation of main EU institutions.

Today’s EU originated from the European Steel and Coal Community (ECSC), the organisation which launched the process of EU integration. In 1950 the French foreign minister Robert Schuman announced an extraordinary idea to place the whole of Franco-German coal and steel production under a common High Authority (HA), within the framework of an organization open to the participation of other European countries (Gilbert, 2012). The experience of the ECSC’s creation is a period when formal EU governance began to operate, and two main institutions (the Council and Commission) developed their interests, working processes and routines. According to Annet (2010a) “The process and outcomes of regional integration can

be understood and analysed through an historical institutionalist approach. This interprets institutions as forming a ‘web’ of structure, relationships and meaning within which political actors move”. Moreover, historical institutionalism regards the period of organisational origin as crucial to understanding later developments. In this respect, at the organisational level, historical institutionalism has much in common with Stinchcombe’s (2010) concept of “imprinting”, which captures how initial environmental conditions and powerful founders leave a persistent mark (imprint) on an organization’s strategies, strategic choices and operating practices. The crux of this argument is that, due to subsequent inertia and institutionalization, organisations continue to exhibit traces of their founding context (Marquis and Tilcik, 2013). As Annett (2010a) points out “the only fixed phase of institutional development is the origins phase. Any other phase may follow, depending on the experiences and outcomes of the origins phase”. One must therefore go back to the 1950s and analyse how the creation of the ECSC institutional framework, based on a supranationalist ideology, contributed to the governing structures of today’s EU’s.

Historical institutionalism can assist in illuminating how the origins of EU institutions affect the behaviour of political actors during subsequent developments in the European energy domain. According to Meunier and Kathleen (2007:4) “...institutions...can have an independent and/or intervening effect on the policy paths chosen”. Particular attention is paid to the historical development of the interests and roles of two executive EU institutions, the Commission and the Council. Although national states possess significant powers in the military and social policy spheres, certain EU institutions and other players have increased their role and influence here, leading to the development of coherent long-term energy policies.

Max Weber defined the state as “a human community that (successfully) claims the monopoly of the legitimate use of force within a given territory” (Weber,

1946:78). Yet despite the fact that the Commission is not a state in Weberian terms, it is still able to steer national governments and non-state players in ways contrary to how they would behave if allowed to act unilaterally. According to Jessop (2004:56) "... the absence of European army-police, constitution, and massive budgets may be less important than the presence of the EU's ability to mobilise organized intelligence and other forms of soft intervention that shape how national and regional states deploy their respective capacities". In addition, the Commission could be regarded as the motor or engine of the European Union (Nugent, 2000). It has an entrepreneurial role and is able to seize opportunities to encourage, promote and lead new visions and long-term policies. Referring to the role of the Commission, Pierson (1994:21) argued that it "...is literally a new actor on the political scene. It has its own interests, which may diverge from those of its creators, and it typically has resources – expertise, delegated authority - to strike out on its own should the opportunities arise...There are more players and more interests to be accommodated. The political organs of the EC are not simply the tools of the member states". Furthermore, due to its visionary role the Commission may be considered as an important vehicle for progress. According to Nugent (2000:18) "...the existence of clear visions and firm resolve, and the use of appropriate strategies and tactics, can do much to ensure that the Commission does not just follow events, but can do much to encourage, promote, and even lead them". The Commission may therefore be regarded as a proactive institution which has its own interests and policy-orientation.

The EU Commission can be viewed as a forward looking and pro-growth oriented institution. Despite debates within the EU between different commissioners, as well as some actions that pull away from long-term considerations at certain points in time, the Commission's tendency to gravitate back to broader and longer-term thinking is a sort of "path dependence", a recurring feature which stems from its organiza-

tional DNA, i.e. its historical “generic make-up”. The Commission was established in the early 1950s by its predecessor, the High Authority (HA) of the ECSC under the presidency of Jean Monnet, who together with his advisors could be regarded as the Commission’s founding fathers. As Wille (2013:35) referred to the origins of the Commission: “Its central features were established in its early years by its predecessor, the High Authority, which created long-term ‘path dependencies’...The nature and architecture of the EU Commission, its foundational, normative, and organizational principles, were strongly modelled on this High Authority”. In addition, Monnet modelled the HA on his own Planning Commission (fr. Le Commissariat Général au Plan) whose aim was to provide an independent, impartial, overall, and long-term view of planning and economic development in France (Featherstone, 1994). In other words, Monnet’s idea was to create, at the European level, a version of the French Economic Planning Commission (Hooghe, 2001). As Monnet (1978:329) pointed out “The methods of the French Planning Commissariat were readily adaptable ...to European problems ...We had to work out a new method, transposing into the organisation of Europe the principle underlying the Modernisation Commission...”. One could argue that Monnet tried to escape from short-term considerations to focus on what happens beyond this. Contrasting with national governments or businesses, the HA’s *modus operandi* was to focus on long-term objectives that increased productivity and economic development rather than profit, as well as protecting the European public interest rather than private interests (Gillingham, 1995). According to Vinen (2000:329) “Jean Monnet...was the most notable practitioner of state intervention. His plans were based on the assumption that the state should not merely react to economic crisis but act to promote modernisation, making choices about the economy and deciding which sectors should be supported and which should be allowed to decline”. Due to the influence of the culture of French public administration, based on

the principles of dirigisme or state planning and intervention in the economy, the Commission was thus set up as a classic technocracy populated with bureaucrats who were not generalists but technical experts whose main concern was to ensure planning and to protect a common European interest. As Wille (2013:38) argued “The European Commission was designed as a technocratic body to propose solutions to policy problems, to broker deals...and to be the guardian of the common European interest”. In order to achieve these objectives the Commission has pursued a long-term orientation. As one European *fonctionnaire* pointed out “I think it is the logic that the Commission has to think about longer term perspective even if in a short term it may have a negative effect. A forward-looking vision...is precisely our unique contribution” (Interview 11). One could argue that the main features and principles of the Commission’s work were further embedded through a gradual process of socialisation (Hooghe, 2001). According to Wille (2013:39) “The Commission was set up from the start to act as an autonomous supranational institution with an Europeanization vocation; Monnet expected the officials working in the European administration to develop a strong ‘European spirit’”.

The EU Commission’s interest in promoting long-term economic growth, what could be defined as “economic development”, stems from its historical foundation and path dependent organisational DNA. Yet economic growth is just one aspect of the process of economic development. That is to say, the Commission is interested in facilitating broader and more inclusive growth rather than mere increases in economic output. Indeed, one could argue that the European integration project started as a political project to bring peace to Europe. First, peace and economic development were considered as mutually reinforcing elements, and peace was regarded as one of the preconditions for post-war economic development. In the same vein, it was realized that in order to ensure sustainable peace, Europe needed to ensure continuous

mutually-beneficial economic development. According to Dumas (2006) “Encouraging economic development facilitates efforts to create...economic relationships that create positive incentives to avoid war”. Moreover, stable economic development was linked to the establishment of mutually beneficial relationships among European states (Dumas, 2006), and the creation of effective institutions was regarded as an important in ensuring this. As Dumas (2006) pointed out “Building the right kinds of economically and politically sustainable institutions is also important to supporting and strengthening the virtuous circle between development and peace”. In this respect, the HA of the ECSC was set up as an institution whose objectives were both to cement peace in Europe, as well as to supervise and ensure wider elements of economic development such as economic expansion, the growth of employment, rising standards of living, growth in international trade, and modernisation of production (Treaty of Paris, 1951). In other words, the Commission was set up with a historical mission to supervise and ensure post-war economic development, via growth in trade and modernisation. These objectives were encapsulated in the Treaty of Paris which laid the core principles of EU institutional governance “The mission of the European Coal and Steel Community is to contribute to economic expansion, the development of employment and the improvement of the standard of living in the participating countries through the institution, in harmony with the general economy of the member States...” (Treaty of Paris, 1951). The establishment of the EU Commission can therefore be viewed as an effort to ensure peace and to facilitate long-term economic development in Europe.

The Treaty of Paris focused on trade liberalisation through the abolishment of trade barriers. Trade liberalisation was seen as one of the main elements to facilitating long-term economic growth/development, which would eventually strengthen peace and security in Europe. First, it was realized that stronger trade ties increase the level

of interdependence that would ensure peace. Following the Kantian Perpetual Peace argument, countries are less likely to fight if they have strong trade links (Kant, 2003). According to the former European Commissioner for Trade Pascal Lamy (2013) “The recognition that trade promotes peace, by binding nations together in ties of mutual interest and dependence, dates back at least to the Enlightenment. It is an insight no less relevant today than it was during the 18th century”. Second, the focus on trade and the modernisation of production in the treaty establishing the ECSC indicated that the HA had long-term economic objectives. As Lee points out (1993:300). “International trade...may increase long-term growth by permitting the economy to specialise in the sectors with scale economies that may arise from research and development...”. Moreover, increases in trading relations were viewed as an important element of enhanced productivity growth, and a key driver of long-term prosperity (Dabla-Noris et. al., 2013).

The Commission is also interested in growth because, during favourable economic periods when growth is more inclusive and wide-spread, it is easier for the Commission to garner public support and promote its long-term vision and forward-looking policies. It could be argued that in an environment of growth, other actors are more receptive to such policies. As one official in the Commission argued “In good economic times it is easier for us to justify medium and long-term policies not least because state and non-state actors could escape from short-term constraints” (Interview 14). The Commission’s interest in growth thus comes from its attempt to ensure peace and promote long-term policies.

The Commission’s role and interest in promoting growth was strengthened as debates regarding globalization and the neoliberal deregulation of the US economy in the 1980s increased the US’s structural power, and revealed Europe’s backwardness in ensuring stable economic growth, competitiveness, and efficiency (Cafruny, 2003).

The Commission was more able to promote long-term growth policies because it was realised that individual states were too small to master these challenges by themselves and to withstand increased economic pressures. Leon Brittan, a former UK member of the European Commission, claimed "...given my view of the success of the EU so far in pooling sovereignty for the wider benefit of its Member States and in adapting to the challenges of globalization, it is obvious to me that Britain's own interests can only be served through a continued commitment to the process of European integration" (Brittan, 1998:24). The Commission has developed an interest in European integration, not least because increased globalization has empowered it to execute its agenda of making and proposing powers for long-term growth-oriented policies.

The Commission's attempt to pursue and protect the common interests of Europe, rather than the particular interests of individual states or non-state players, can be illustrated by looking at energy developments in the 2000s. As has been argued, the Commission was set up to serve the general interest of the Union by linking peace and long-term economic development, and capitalism requires an effective energy sector to ensure economic growth. In the early stage of the development of its energy policy, the Commission realised that, in the long-term, fossil fuels are going to become scarcer and more expensive (Ahmed, 2013). In addition, some have warned about the dangers of approaching peak oil, a period when the production of oil will be in continuous decline despite booming demand. As Allmendinger (2007) made clear "After peak oil, in the latter half of the century, there will still be considerable oil (and natural gas) in the ground, but it will be so expensive to extract that other energy sources will be utilized". This situation could trigger conflict and endanger peace in Europe, as individual countries could start to protect their own national interests and aggressively compete for raw materials, as was evident during the oil shocks in the 1970s. Moreover, the price of fossil fuels will become less competitive due to the

growing use of renewable energy, and economies of scale in renewables will thus limit the future competitiveness of fossil fuel energy (Clark, 2013). Furthermore, it has been argued that climate change challenges could undermine productivity in key sectors such as agriculture. Nelson et al. (2009) stated that “Agriculture is extremely vulnerable to climate change. Higher temperatures eventually reduce yields of desirable crops while encouraging weed and pest proliferation. Changes in precipitation patterns increase the likelihood of short-run crop failures and long-run production declines”. The Commission considered that climate change might cause food insecurity and pose a serious threat to long-term economic development and peace (Barroso, 2009). Furthermore, climate change has been considered as having negative consequences for free trade in the long-term, thus undermining Europe’s economic as well as political stability. As is argued in the WTO report on Trade and Climate Change “There appear to be two likely effects of climate change on international trade. First, climate change may alter countries’ comparative advantages and lead to shifts in the pattern of international trade... Disruptions to the supply, transport and distribution chains would raise the costs of undertaking...trade. While an increase in trade costs would be bad for trade in general...” (WTO, 2009:64). It could be argued that the sudden rise in oil prices in 1999, that some referred to as a “third oil shock”, created a temporary vulnerability and opened a room for the contestation of energy policy, to which the EU Commission responded with its long-term orientation. At the end of the 1990s, the Commission saw the issue of dependence on fossil fuels and climate change not only as long-term environmental problems, but also as long-term growth and security challenges that could be tackled through the development of nuclear power. As a result, the Commission’s wider view of the general interests of Europe sometimes goes against the particular interests of powerful state and non-state actors.

The Commission has the capacity to solve collective action problems by creating policy networks through bringing particular groups of interests together within the EU context. According to Heldt (2004:38) “The Commission has the ability to exploit situations where national government representatives are confronted with a collective action problem”. In this research I argue that as an apolitical, functionalist bureaucracy the Commission was designed to address such collective action problems (Harlow, 2002). In doing this, the Commission often relies on discourse and ideology. In the following section, where I discuss the neo-Gramscian approach of hegemonisation, I will elaborate on the Commission’s instruments, capacities and limits when seeking to solve collective action problems. Further, I argue that the Commission’s role in addressing collective action problem stems from its historical origins, which lead it to moderate different opinions and to seek common ground between divergent interests (Wille, 2013). Indeed, the HA of the ECSC, a predecessor of today’s Commission, was set up to address a set of collective action problems arising from European cooperation (Annett, 2010b). With the creation of the ECSC, the HA was responsible for chairing a Consultative Committee, an advisory committee which comprised equal number of producers, workers, consumers, and dealers (Dufresne, 2006). In other words, the EU Commission’s very origins lie in a supranational institution, the ECSC HA, which was established to foster dialogue and enhance cooperation between different stakeholders.

The beginnings of European integration are often depicted as a political process whose objective was to bring peace to the continent. However, the creation of these governing structures in Europe cannot be understood without taking into account the economic interests and influence of large industrial groups. According to Haller (2008:113) “...while it is true that economic integration was a means for political aims, it diverts attention from the fact that the interests and networks of industri-

alists played a decisive role”. One could argue that the proposal to integrate the coal and steel industries of France and Germany that eventually materialised as the ECSC was, to a large extent, initiated by the economic interests of these industrial groups. Haller explained: (2008:123,124) “The formal cooperation between the French and German steel and coal industries, initiated by the ECSC, was not new...The producers of France and Germany quite early after the war began to reach out their antennas to achieve a restoration of the old connections and forms of organisation. From this point of view, we can understand somewhat better the surprising fact that industrialists, not politicians, were the first to show the necessity of an intact German and French mining industry for European economic recovery”. Economic groups and associations have therefore played a decisive role in creating the governing mechanisms of the EU.

Due to the interests of large industrial sectors, one could argue that political support for the creation of the ECSC in some European countries was generated by the structural power of certain capital groups. In order to account for the role of national governments in the structure of EU institutional governance, one could argue that member states, represented in another major ECSC institution, Special Council of Ministers (which later evolved into the Council of the European Union), were structurally constrained by the interests of major capital groups. As Alter and Steinberg (2007:93) argued “European governments were most concerned with protecting jobs and facilitating industrial growth –defined exclusively in national terms”. By supporting the integration of the steel and coal sectors, national governments responded to the needs of their key industrial sectors at that time. Defining the structural power of capital, Newell and Paterson (1998:691) point out that “Capitalist societies are systematically dependent on economic growth/capital accumulation...What is important...is the centrality of the state in the process of capital accumulation, on which

the continued existence of a capitalist order depends...the role of state is to identify and advance the general interest of capital...As a result of the role of the state in capital accumulation, those who organise that process (i.e. capital) gain great structural power with regard to state decision making”. One could argue that, after the post-war period, the interests of coal and steel businesses in many countries were considered to represent the general interest of capital as these sectors were the largest sources of employment and state revenues. Even more importantly, coal and steel were the two most vital materials for developed nations; the backbone required to rebuild post-war economies. Coal was the primary energy source in Europe at this time, accounting for almost 70% of fuel consumption (CES, 2015), while steel was a fundamental material for industry which required large amounts of coal to manufacture. According to Meckling (2011:8) “These are the strategic sectors that the entire capitalist system builds on...”. Thus, the political decision to create the ECSC was affected by the structural power of particular capital groups.

Business is not a homogeneous bloc with wholly common interests. On the contrary, different groups of capital often confront each other. As Newell and Paterson (1998:691) point out “...the particular interests of particular capitals and...capital-in-general are not the same thing. The structural power of capital does not necessarily mean that capital acts as homogenous bloc... the interests of capital-in-general...may be in opposition to the immediate interests of particular capitals, because capitalists confront each other through competition in the market...”. The structural power of capital over national states is thus not identical across all countries. Moreover, member states are different not least because of their distinct modes of capital accumulation and may thus depend on different capital groups. For instance, a coal industry may have more structural influence in coal-dependent country

than in one that depends on nuclear power. As a result, due to this diversity, capital sectors, as well as states, compete for dominance.

Although it could be argued that certain progressive businesses play an important role in supporting the Commission's forward-looking policies, the EU Commission is not directly constrained by the structural power of businesses in the same way as national governments, as it does not directly depend on tax revenues or the provision of employment. In addition, the Commission is not directly elected, so its survival and legitimacy does not depend on voters who rely on businesses growth for their well-being. According to Przeworski and Wallerstein (1988:12) "Politicians seeking re-election must anticipate the impact of their policies on the decisions of firms because these decisions affect employment, inflation and personal income of voters: vote-seeking politicians are dependent on owners of capital because voters are". Nevertheless, the Commission requires legitimacy to operate effectively, even if it is not directly elected. The Commission's internal and external legitimacy stems from its historically created role to ensure lasting peace and economic development. As Feldman (1999:71) explained "The focus on peace...is a source of the EU's legitimacy in the eyes of other international actors, and in the eyes of its own citizens". However, in giving this prominence to peace, we must not underestimate the economic dimension of the Commission's historical set up as economic factors are key in establishing a stable peace (Feldman, 1999). As has been argued, the Commission was historically set up to ensure the stabilisation and perpetuation of peace through long-term economic development. In order to sustain its legitimacy, the Commission thus needs to supervise and ensure continuous economic development. Moreover, the Commission's ability to address collective action problems derives not from the structural power of coal and steel industries, even if they played a role in determining the positions of national governments, but from the Commission's original mission to

plan for the future, take independent decisions, make recommendations and deliver opinions; all activities that involve an important discursive (ideological) element. As a result, the Commission can be understood as relatively autonomous institution, designed to manage competing national and business interests in favour of broader European interests.

2. Struggles between conflicting interests in the process of EU governance

Given the importance of an institution's origins in understanding later policy developments, as posited in historical institutionalist accounts, one could argue that there is a dialectic tension between the Commission and member states embedded in the historical institutional setting of EU governance. According to Annett (2010a) "The experience of the ECSC...is clearly an establishment phase where formal institutions began operation and political actors (the representatives of the member states, the staff of the High Authority) developed their working processes and routines. We see in this period tension between...High Authority and the representatives of member states as they each try to mould the emerging Community to their ideas, preferences and strategies". It could be argued that the Commission's path dependent long-term orientation clashes with the particular, often short-term, interests of member states, as well as those of certain capital groups. The tension between short-term and long-term interests is often ignored in arguments about the EU's institutional design. Historical institutionalism helps to identify this tension and to explain why certain players at the European institutional level clash with each other, and seek to protect their positions as well as to define the essence of EU energy policy in accordance with their historically constructed interests (Pierson, 1996). For example, I argue that member states contend with an EU Commission that wants to take an advantage of any opportunity to promote its forward-looking agenda. Although historical institutionalism helps to explain path-dependent institutional conditions and functions, it is

thus not able to reveal how historical conditions are manifested through the struggles of competing hegemonic projects. The role of intentional agency is hence a necessary condition for a thorough understanding of hegemonisation in the EU energy domain.

One important feature of the EU is that historical tensions between different players in EU institutional governance can result in a process of contestation between opposing groups. The key role of the Commission is to lead the process of struggle (in a Gramscian sense) and to advance its wider policy orientation through consensus building mechanisms. One could argue that the consensus-building function of the Commission has often been underestimated in the EU literature (Cini, 1996). Moreover, the Commission is often portrayed as an “honest broker” (impartial mediator) in consensus building processes. According to Moravcsik (1999:278) “supranational entrepreneurs wield power by mediating effectively among governments”. Nevertheless, I argue that the Commission is a proactive player which has its own incentives and interests to act as a “leader” rather than as “impartial mediator” (Rhodes and Thart, 2014). In addition, faced with diverse players and distinct interests, the Commission aims to secure the consent of other players. As one official in the Commission pointed out “Officials in the Commission not only formulate and propose policies but they also attempt to get member-states and other stakeholders behind their policy lines. We are not only deciding but we are also fighting for our policies” (Interview 20). In my project, I argue that the Commission plays a more prominent role in manufacturing consensus regarding its long-term policy orientation rather than merely organising or mediating consensus. According to Hartlapp, et. al., (2014:218) “Given the EU’s complex institutional structure of shared power among the decision-making institutions, the Commission has to constantly engage in consensus-building...”. In addition, the Commission executes those strategies and tactics at its disposal in order to generate a consensus that goes beyond settling for the lowest

common denominator (Cini, 1996). This process of contestation, alongside the governance system of EU, which tends towards seeking compromise, therefore allows us to explain why changes in EU energy policy have often been ambiguous and uneven. In the rest of this chapter I will elaborate on the neo-Gramscian theory of hegemony, which allow me to explain the leadership role of the Commission in generating consent regarding its historically established policy orientation.

Lacking an account of agency, historical institutionalism is not able to provide adequate analytical resources to account for change and dynamics in processes of contestation, and thus the role of the Commission in manufacturing consensus in the EU. However, in my project I intend to account for such shifts in the development of EU energy policy. As Hay and Wincott (1998:954) explained “...historic institutionalists have...placed considerable and growing emphasis on...institutions as the subject and focus of political struggle; and on the contingent nature of such struggles whose outcomes can no...be derived from the extant institutional context itself”. According to Schmidt (2008:1) “Historical institutionalist approaches have difficulty explaining change, tend to be static and equilibrium-focused...”. In this respect, I focus on the neo-Gramscian account on hegemony that provides a more comprehensive and detailed framework to reveal agency factors in the struggles over EU energy policy hegemony (Burawoy, 2012). For example, this approach gives us analytical resources to account for the proactive role of the Commission in creating a consensus (neo-Gramscian hegemony) regarding EU energy policy. It provides us with resources in order to account for the agential aspects of hegemonic practices, projects and strategies. In addition, it also allows us to explain how certain players resist changes and transformations. As Newell and Levy (2004:340) argued “...the neo-Gramscian framework...provides a more systematic understanding of dynamic processes of political contestation...”. Moreover, the neo-Gramscian perspective sheds

light on both endogenous and exogenous elements in the process of hegemony. This perspective brings endogenous factors into play and assumes that this struggle does not occur in a social and economic vacuum. However, compared with structural accounts, the neo-Gramscians do not take the structure to be overly deterministic. Historically established institutional conditions do not determine concrete hegemonic struggles, but rather provide grounds for such actions and render them meaningful. The Gramscian focus on the process of evolving power struggles and shifting institutional life cycles therefore brings the neo-Gramscian perspective into conversation with the more structuralist historical institutionalism, which explains how historically constructed institutional conditions affect the motives and interests of different players in the process of contestation.

The historical institutionalist and neo-Gramscian traditions assume that certain exogenous crises (critical junctures) render tensions more visible and create the opportunity for other players, with different interests and ideologies, to challenge the existing order by providing realignment in the material, institutional and discursive domains. As Donnelly and Hogan (2012:5) pointed out “The critical junctures theory argues that a critical juncture is made up of crisis, ideological change...and that, within this context, policy and political entrepreneurs act as either carriers or barriers of change”. Gramsci talks about emerging shocks or crises which help to open up a space for alternative strategies to challenge the status quo. As Jagers et al. (2004:250) explained “Crises, such as that posed by a phenomenon like climate change, create particularly useful openings for actors wishing to advance such alternatives. Such crises can arise from changes in markets, regulations, technology, as well as relative power positions and ideology, and while it lasts, the historical bloc is both fragile and open to challenge”. Moreover, Gramsci referred to “*organic crises*”, or structural and long-term discrepancies within the existing order. Cox (1987:273) defined organic

crisis as the situation when the “old forces are dying (but not yet dead) and the new are being born”. An important aspect of organic crisis is the emergence of a transformative political agency, or historical bloc, with an alternative ideology to challenge the economic, moral and ethical underpinnings of the existing order. This temporary vulnerability opens a way for players with competing interests and ideologies to rearticulate different elements and to initiate alternative policies that often lead to emerging processes of contestation. For example, due to historically established principles, the Commission responds to exogenous shocks or crises in the energy domain by adopting a forward looking orientation which often clashes with the particular short-term interests of other players. There are therefore moments when crises or shocks lead to a temporary vulnerability that is used by opposing players to lead counter-hegemonic struggles.

Although historical institutionalism helps to explain deeper institutional conditions and functions, it is not able to reveal how these deeper underlying conditions are expressed through the role of various hegemonic projects. The role of intentional agency is thus a necessary condition for a thorough understanding of hegemonisation. There has been lack of attention to unravelling the mechanisms and strategies behind contestations within the European energy order. In order to explain contestation and consensus building during different periods in the EU energy domain, it is not enough to refer to historically embedded conditions that affect different actors or to exogenous crises. What is needed is to understand the strategic realignment of forces in a conscious agency-led struggle. As Widmaier et al. explained (2007:749) “...exogenous shocks must be endogenously interpreted”. The neo-Gramscian approach explores how specific actors orient their strategies in light of calculations influenced by their historical DNA. The neo-Gramscian framework helps to understand how the Commission and other players used strategic actions in struggles surrounding

the EU energy policy domination. The neo-Gramscian account used in this project sheds light on the diversity of material, discursive and organizational strategies used by certain players seeking to have their particular interests accepted as general European interests (Andrée, 2004). The ideas of Antonio Gramsci (1971) are relevant for assessing the dynamics of the struggle for dominance in the energy policy domain. The conceptual cornerstone of the neo-Gramscian framework is the application of the concept of *hegemony*, as constituted within a historical bloc, that rests on a specific configuration of societal groups, economic structures, and concomitant ideological superstructures (Gramsci, 1971:181). In the neo-Gramscian tradition, hegemony is premised upon manufactured consent or consensus rather than coercion (Selby, 2007). A historical bloc should be understood as a process that is initiated by conscious forces that use material, institutional and ideological resources in order to establish new hegemonic order. In my specific context, these resources could be regarded as EU leadership resources (Krotz and Schild, 2013, Bunse et al., 2005). In this project I argue that an aligning of these power resources creates hegemonic order. According to Levy and Egan (2003:805) “Hegemony rests on a broad base of consent, which relies on coalitions and compromises that provide a measure of political and material accommodation with other social groups, and on ideologies that convey a mutuality of interests. Hegemonic stability is rooted in the institutions of civil society...which play central role in ideological reproduction, providing legitimacy through the assertion of moral and intellectual leadership and the projection of particular set of interests as the general interests”. In other words, hegemony means the success of certain players in presenting their definition of reality, or their view of the world, in such a way that other groups accept it as “common sense”.

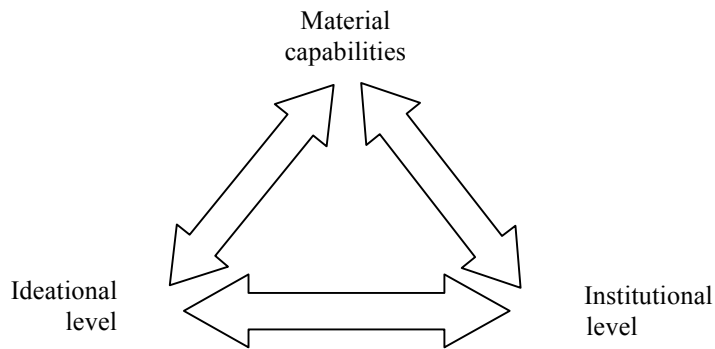
From the neo-Gramscian perspective, the role of *organic intellectuals* is important in building hegemony. In traditional Gramscian perspective the role of organ-

ic intellectuals is viewed from a rather narrow perspective of class struggle. According to Burawoy (2008) “Gramsci grounds truth in the experience of workers in the process of production and factory council, making way for what he calls “the organic intellectual,” embedded in the working class”. By reducing intellectuals to the role of proletariat or bourgeoisie intellectuals prevent us from exploring the role of certain individuals or groups in building energy/climate hegemony. As we live in different times with a variety of different issues that are often inter-linked, one must be flexible in interpreting Gramsci and applying his analytical concepts, including organic intellectuals to the area of EU politics. It could be argued that the EU is a more complex and heterogeneous environment than national state. In addition, energy, being multifaceted and global domain, transcends the issue of class relations. For example, there might be different groups interested in creating a low-carbon hegemony, including certain energy industries, business associations, trade unions, international and regional environmental/energy organisations. As a result, this research broadens the traditional Gramscian meaning of organic intellectuals as radical activist rooted in certain social group. I argue that organic intellectuals irrespective of their relation to certain business groups and/or trade unions provide new thinking and organising elements for a new hegemonic bloc as well as stimulate public’s knowledge about certain issues. In addition, energy sector being a cross-cutting issue that interconnects various policy domains, including economy, security, environment and/or transport yields its own variety of organizers, creators, mediators, and contemplators, such as academics, business leaders, energy and climate experts whom Gramsci labels organic intellectuals.

There are two types of strategies in the fight for hegemony: the *war of position*, which means gradually building a new hegemonic order within the existing environment, and *passive revolution*, which represents the reorganisation of power to

preserve the dominant class hegemony (Gramsci, 1971). Moreover, in a war of position hegemony is reached through the alignment of material, institutional and discursive dimensions (Levy and Newell, 2004). These dimensions are theoretical concepts that help to explain what we observe. Although these dimensions do interact, on certain occasions they exhibit some relative autonomy when some actions or events in one of these realms are not reducible to interaction between all three of them. The material dimension is constituted of technological development, financial instruments which are all directed towards the strengthening of market positions, and the material base of hegemony. As Sinclair (1996:10) explained “Material capabilities consists of dynamic productive capabilities (such as technology) and accumulated resources”. On the ideational level, the historical bloc uses discursive strategies to challenge the scientific, economic, social, political basis of certain order and provide a well-argued and convincing case for change (Jagers et al., 2004:250). Furthermore, in the institutional (organizational) domain, the emerging historical bloc attempts to create the widest possible consensus to stabilize and perpetuate particular order through rules, regulations, and certain manipulative actions. Cox (1996:99) stated “Institutionalization is a means of stabilizing and perpetuating a particular order...Institutions...can become a battleground of opposing tendencies...”. Discussing the institutional dimension in the European political context, I refer largely to the EU level. According to Newell (2008:525) “For hegemony to be exercised, though never complete, the material, organisational and discursive elements of power need to be closely aligned”. These three categories of power interact in a reciprocal rather than deterministic way (Figure 3).

Figure 3. Categories of power



Source: Author

Cox (1996:98) argued “No one-way determinism needs to be assumed among these three; the relationships can be assumed to be reciprocal. The question of which way the lines of force run is always a historical question to be answered by a study of the particular case”. Moreover, *passive revolution* explains what happens when a hegemonic bloc is challenged. One of the components of passive revolution is *transformismo*, a strategy that allows us to understand how an existing bloc attempts to bring together a coalition of interests to incorporate and rearticulate potentially dangerous ideas, adjusting them to its interests and thus maintaining status quo. According to Cox (1996:139) “Transformismo...absorbs potentially counterhegemonic ideas and makes these ideas consistent with hegemonic doctrine”. Here is where the neo-Gramscian perspective helps to explain the entrepreneurial role of Commission in trying to solve collective action problems. The focus on the strategies of the neo-Gramscian approach therefore helps to explain contestation surrounding EU energy policy developments.

The neo-Gramscian focus on hegemonisation helps us to explain how the Commission tries to address collective action problems. I argue that as an entrepreneur the Commission relies on discursive, and to some extent organisational, strategies in order to generate consent and to project intellectual/moral leadership and

awareness of common long-term European interests. According to Cram (1998:71) argued “The Commission plays an important role in...promoting particular set of ideas which may encourage collective action among various transnational and domestic interests”. One could argue that the Commission lacks structural leadership capabilities because it only possesses a tiny budget and has limited material capabilities to use as bargaining leverage. In other words, due to a lack of financial capabilities the Commission is not able to offer significant side-payments and promise material rewards for supporting its policies (Young, 1991). In addition, the historical bloc led by the Commission might use organisational and negotiation skills to advance its policy orientation and strategically shape the form in which issues are devised and presented (Young, 1991). However, at the end of the day its success at the institutional level largely depends on the Council’s consent. As a supranational policy entrepreneur, the Commission is thus rather constrained and has relatively low resources aside from discourse and persuasion.

The neo-Gramscian perspective allows us to explain how, despite a lack of material resources, the Commission attempts to address collective action problems through its discursive resources. According to Augelli and Murphy (1997:28) “...one cannot explain effective collective action without taking into account the emotional power of the narratives aimed at binding people together”. The neo-Gramscians focus on George Sorel’s concept of motivating myths, the stories which create unity among particular players bent on transformation by effectively orienting and motivating their actions. These myths are the instruments which help to address collective action problems as they help to organise a collective will. As Augelli and Murphy (1997:28) explained “...collectivities bound together historically by particular myths - and the individual within them – are, themselves, transformed...”. Moreover, Gramsci himself used the concept of myth as central part to the formation of collective subjectivity.

Indeed, intellectual leaders, through the promotion of motivating myths, provide an understanding of the world and a political/economic vision that binds other players towards collective goals in a concrete historical bloc (Augelli and Murphy, 1997). In my project I argue that, in the wake of certain exogenous crisis or events, the Commission and organic intellectuals create and use motivating myths as weapons in the process of hegemonisation. I contend that neo-Gramscian organic intellectuals play an important role in providing certain myths that help to forge collective consent in the creation of an *historical bloc*. In addition, these myths are powerful narratives that create unity among the bloc by describing the process by which the bloc could be successful and by promising its ultimate victory. For example, the idea of “ever closer union” which was embodied in the Treaty of Rome could serve as an example of a motivating myth. It was based on the dual narrative of hope that a newly united Europe will generate not only a strong impetus that will result in the prosperity for all, but also that it will ensure security against the Soviet threat (Topaloff, 2014). As a result, the Commission’s collective action orientation is executed through discursive actions. In the following paragraphs I will elaborate on the use of strategic actions at the institutional and discursive levels.

In order to reveal the dynamics of hegemonic contestation by using political manipulation at the institutional (organizational) level, I will use Riker’s logic of heresthetics, the process of constructing political choices so as to be able to manipulate outcomes and to get preferable results. As Shepsle (2002) pointed out “...politicians must master...the institutional resources at their disposal. The punch line here is that institutional arrangements provide both obstacles to and opportunities for strategic maneuvering...”. One example of this maneuvering is the manipulation of the dimensionality of the issue space. Riker (1986:ix) explained “Heresthetics...refer to a political strategy...It is true that people win politically because they have induced other

people to join them in alliances and coalitions. But the winners induce by more than political attraction. Typically they win because they have set up a situation in such a way that other people will want to join them – or will feel forced by circumstances to join them – even without any persuasion at all”. In contrast with transformismo, which involves bringing about the widest possible coalition of interests and absorbing counter-hegemonic ideas through certain rhetorical mechanisms, heresthetics sheds light on an understanding of the Commission’s strategic behavior that can arise from different sources and in different ways. As Mclean (2001:10) pointed out “Rhetoric is the art of verbal persuasion. Heresthetics is the art and science of political manipulation”. In other words, transformismo shows how, at the discursive level, persuasive arguments attempt to neutralise opposing ideas, whereas heresthetics explains how one structures the world so that one can win. For instance, in the mid-1990s, as a response to the Commission’s model of energy liberalization, the anti-liberalisation bloc proposed an alternative *single buyer* model of liberalization which attempted to strategically reframe the issue of energy market liberalisation, to break the unity of the pro-liberalisation bloc at the institutional level and to keep the monopolistic energy order intact. Moreover, this alternative liberalization proposal structured a winning situation for the anti-liberalisation bloc as it led to divisions between different commissioners and member states on how the process of energy liberalization should be conducted. In order to acquire support for processes of contestation certain players therefore make use of heresthetics.

Given the complex and heterogeneous nature of the EU energy policy domain, there are different visions within the Commission on what constitutes long-term development and which forward-looking pro-growth policy aspects need to be adopted. Moreover, it could be argued that the Commission’s path dependent forward looking European interests might be in conflict with the particular, often short-term, interests

of member states as well as those of certain capital groups. Due to a lack of material resources the Commission and other players, especially those from civil society, often rely on discursive actions in their attempts to lead energy policy hegemonisation. As Apeldoorn (2002:20) pointed out “In connection to hegemony, then, ideology assumes the task of ‘unifying’ and ‘cementing’ the ‘social bloc’ upon which rule by consent rests. This involves first of all a process of ideological articulation of diverse and initially opposed ideological elements into a single ideological discourse, which is then the expression of a hegemonic world view inasmuch as it transcends the narrow ‘interests’ of the leading social group”.

Furthermore, as I have already argued, hegemony is never complete and is always contested by competing ideologies such as, in this case, those of economic growth, energy and climate. Fiske (1987:41) stated “Hegemony is a constant struggle against a multitude of resistances to ideological domination, and any balance of forces that it achieves is always precarious, always in need of re-achievement”. The neo-Gramscian account lacks mechanisms to account for hegemonic contestation over the ideational dimension during certain energy policy phases. We thus need certain additional resources through which we can assess the dynamics of ideational formations and operationalise the neo-Gramscian strategy of transformismo. I will supplement my analysis with various rhetorical instruments, including narratives, generative metaphors and new discursive categories. In addition, the use of the post-structuralist political logics of equivalence and difference as framing devices will allow me to reveal the architecture of the policy arguments used by different groups to justify, legitimize or denounce certain policy decisions, thus contributing to a recontextualisation and transformation of energy policy. Griggs and Howarth (2013:47) pointed out “Political logics enable analysts to explain and potentially criticise the emergence and formation of a social practice or regime. Of particular importance in this regard are

the logics of equivalence and difference. The former enable the research to grasp the way in which political frontiers are constructed via the linking together of social demands and identities, while the latter capture the way in which demands are negated, disarticulated, mediated and negotiated by various institutions”. It must be pointed out that I do not apply a poststructuralist theoretical approach with an ontological position that ascribes a causal impact to ideas. In my project, political logics are used only as descriptive framing devices to show how different players try to couple or decouple different policy demands in the overall contestation of energy policy hegemonisation. I will explain my theoretical position vis-à-vis the post-structuralist approach later in this chapter (section 4.3) when I discuss the benefits and deficiencies of ideational theoretical perspectives.

The synthesis of historical institutionalism and neo-Gramscian perspectives with some elements of the post-structuralist account allows me to properly address my research questions. First, the use of historical institutionalism explains the distinct role of the EU Commission in promoting a forward-looking pro-growth orientation. Due to the complexity of the energy domain, as well as the existence of heterogeneous interests and ideologies, energy policy is a subject of continual contestation between the Commission’s long-term view and particular, often short-term, interests promoted by state and non-state players. Historical institutionalism is not able account for these endogenous struggles, nor can it reveal the proactive role of the Commission in manufacturing consensus during different phases of EU energy policy. In order to account for conflict, change and dynamics I use a neo-Gramscian approach that provides a strategy of hegemony through the use of material, institutional and discursive strategies. Moreover, the Commission and other players often rely on discursive elements to address collective action problems. I will analyse how competing policy arguments are constructed by using certain techniques of interpretative

analysis, such as metaphors and categories. In addition, post-structuralist logics will be used to explore how policy arguments are coupled and decoupled in order to justify, legitimize or denounce certain policy decisions. I will put my theoretical framework to work in analysing the concrete phases of EU energy policy in the empirical chapters. Having defined the main elements of my approach, in the following sections of this chapter I will compare the explanatory potential of my theoretical account with more mainstream theoretical perspectives. While there are some elements of common ground between these different positions, I argue that the alternative approaches are not able to provide a thorough and convincing explanation of the shifts and continuous contestations over EU energy policy.

3. Alternative approaches

Contestations during different phases in the development of EU energy policy, and the role of the EU Commission, could also be interpreted from other perspectives. Although the neo-Gramscian approach, informed by an historical institutionalist perspective, explains embedded contestation between long-term and short-term interests and helps to reveal how the mechanisms of this struggle is waged between different actors, other perspectives may contribute in explaining different aspects of energy policy developments. In the following sections I will assess the contributions and shortcomings of other approaches in explaining different aspects of energy policy developments. At the outset, it must be pointed out that I will not compare the general differences and similarities between these theoretical frameworks. On the contrary, in relation to my research questions, I will look at the role and power of agents in their attempts to lead energy policy developments. As a result, this will shed the light on several issues that could supplement the research I have undertaken.

3.1. State-centric approaches

The realist school believes that power lies at the root of state behaviour, and that international law and international organisations play only a minor role. There are several ramifications in these realist theoretical underpinnings. With respect to attitudes regarding the international or regional political arena, cooperation and conflicts between different actors, and the role of corporations and other non-state actors in international affairs, realism acknowledges a state-centric reading. As Meckling argues (2005:12) “Realism contends that the power-seeking state remains the most important agent...”. There are several strands of realism. For example, state-centric realism envisages the state as an autonomous agent in which a plurality of officials compete over the definition of the national interest. According to Meckling (2005:12) “...the core state is thought to be an effective gatekeeper between domestic non-state interests and the international, possessing agency itself”. At the end of the 1970s, Waltz (1979) elaborated on neo-realist theoretical understanding with the primacy of the anarchical international system dominated by states. As Dannreuther (2010:1) argues “...realism...main assumptions were that the international system is anarchical, that the structure of the system is determined by the distribution of power between states (the balance of power), and that the internal nature of the state (i.e. whether it is democratic or authoritarian) has no material structural impact on international relations”. The validity of state-centric realism after the end of the Cold War has been contested, not least because it does not take into account the significance of other actors. Realist work on the EU has been quite diverse. Realist scholarship offers a cautionary analysis of both European integration and of the EU’s role in the world, pointing to the importance of material interests and the significance of structural factors that may impede intra-EU relations and the transatlantic alliance. For example, defensive realists such as Grieco tried to explain the success of the success of EU in-

tegration in post-Cold War Europe through the neorealist “voice opportunities hypothesis”, where he argues that states seek to ensure that any cooperative arrangements they construct will include effective voice opportunities (Grieco, 1996).

Realism seems more obviously able to explain the security related concerns of EU energy policy, including supply problems and growing energy dependence on Russia. Realists would underline the importance of energy supply due to the intimate relationship between energy and state security. With its emphasis on geopolitics, relative gains realism could provide a thorough understanding of developments in Europe’s energy security realm. For example, some realists may argue that given the 2006 and 2009 gas crises, tense geopolitical relations with Russia, and the lack of a common approach, EU member states are not interested in European cooperation and prefer to deal with issues unilaterally. European countries saw a potential cut in the energy supply as a threat to their security and survival. Some could thus argue that this response to security challenges is largely a realist response, which focuses primarily on relative gains at the state level. In response to realist arguments, one may argue that, even in the security realm, the EU is developing a range of collective responses that would be difficult to explain through the prism of relative gains. For example, following the 2009 gas crisis between Russia and Ukraine, new collective instruments such as the EU Gas Coordination Group were created. Even in the security domain, energy could be regarded as a public good that involves collective actions by all member states. Realism could explain such collective action through the hegemonic stability theory that argues that the leading state (hegemon) could play a significant role in fostering cooperation (Keohane, 1984). In this respect, realists would argue that a powerful member state such as Germany pushed for a common European approach on energy security. However, this view is rather unconvincing and implausible because throughout the 1990s and 2000s the most powerful EU countries, such as

Germany, the UK and France, have been ardent critics of a common EU approach in the energy domain, fiercely resisting any attempts to breakdown their individual long-term supply contracts with Russian gas monopolist Gazprom. Moreover, another critique of realism is that energy policy is not just about security in a narrow realist understanding. Realism is less useful in explaining contestations over shifts in approaches to climate change and, to some extent, the economic competitiveness dimensions of EU energy policy. With regards to the explanation of developments in the climate change and economic competitiveness dimensions, the realist-centred account is not convincing as it would only regard the most powerful EU Member States as primary actors who govern the construction of energy policy (Kirchner and Berk, 2010). On the contrary, with regards to climate change, one can see growing cooperation at the EU level, generated by the pro-active role of the EU Commission and other non-state players. Realism thus has blind spots in explaining those aspects of energy policy developments which are not directly related to hard security concerns.

Sharing some arguments with traditional realist understanding, Moravscik (1998) developed liberal intergovernmentalism, a theory which puts more emphasis on the role of domestic society as the source of state power, and by arguing that state behaviour in the international or regional arenas depends on the configuration of interests between interdependent states. Moreover, liberal intergovernmentalism emphasises that the EU is primarily understood as a successful intergovernmental forum designed to manage economic interdependence through negotiated policy-coordination. In addition, Moravscik's account is centred on domestic politics and national executives rather than supranational institutions and non-state players. As Moravscik (1993:481) explained "National interests...emerge through domestic political conflict as societal groups compete for political influence, national and transnational coalitions form, and new policy alternatives are recognised by governments.

An understanding of domestic politics is a precondition for...the analysis of the strategic interaction among states". Liberal intergovernmentalists view national governments as engaged in a permanent two-level game where a government's preferences are derived from processes of domestic politics, and these preferences are bargained in intergovernmental forums, primarily the European Council (Rosamond, 2002). Furthermore, supranational institutions are considered as playing only a marginal role in the conduct of intergovernmental negotiations, rather than a determining one. Institutions promote international cooperation by disseminating information and policy ideas. As Verhoeff and Niemann (2011:1274) pointed out "...for Moravcsik the role of supranational institutions is limited...He does not ascribe them a significant influence on decision outcomes. Instead, they are used by governments as a platform to pursue their own interest".

There are certain aspects of the liberal intergovernmental tradition which can limit our understanding of EU energy policy developments. First, the realist and liberal intergovernmentalist accounts tend to remain too state-centric in explaining shifts in EU energy policy. It could be argued that the liberal intergovernmental perspective neglects the important role of the Commission in EU energy policy formation. In addition, the influence of business and civil society groups are not taken into account. Especially in such broad and far-reaching domains as energy or climate, an explicit focus on the state level, without taking into account the interests of state and non-state players, renders the analysis less comprehensive and less able to explain struggles for dominance in these areas. According to Dannreuther (2010:4) "In terms of international energy politics, this involves a criticism that too much attention is accorded to states and inter-state competition and too little attention to the autonomous role of transnational actors...". I argue that, in order to account for shifts and contestations in the energy area, we must take into account the forward-looking pro-active role of the

Commission in initiating long-term general European interests and promoting new visions of the energy future. Although some insights of liberal intergovernmentalism could be related to the neo-Gramscian understanding, especially in explaining the importance of states and the domestic political context in energy policy domain, the liberal intergovernmentalist approach, in general, remains deficient in explaining the role of non-state actors, including the Commission, in the struggle for energy hegemonisation. For example, the theoretical account used in my project does not neglect the important role played by national preferences with regards to the development of the EU energy order. However, compared with liberal intergovernmentalism, which does not systematically incorporate the structural effects of capital, I argue that, due to inseparable linkages between energy and economic growth, national preferences are affected by the structural constraints of capital's particular interests. The structural power of capital is not a uniform factor for all member states. States have distinct modes and strategies of capital accumulation, and they thus might be structurally dependent on different groups of capital. According to Pierson (1996:159) "While the member states remain extremely powerful...their influence is increasingly circumscribed, and embedded in a dense, complex institutional environment that cannot easily be described in the language of inter-state bargaining". Although the historical institutionalist and the neo-Gramscian perspectives accept the liberal intergovernmental proposition regarding the importance of national preferences in energy policy development, the latter does not take into account the structural constraints of capital in explaining the formation of these preferences.

3.2. Liberal-oriented traditions

In the liberal tradition, the world is one of complex interdependence founded on the principle of absolute rather than relative gains. In other words, liberalism explains how actors may prefer cooperation and absolute gains instead of seeking rela-

tive gains. As it has been argued "...the world is one of complex interdependence created by the beneficial effects...of the global market economy, creating the need for international institutions and regimes to manage this interdependence" (Apeldoorn et al., 2003:20). On the contrary from realism, liberalism takes into account a plurality of state and non-state actors. Furthermore, neofunctionalism could be considered as sharing some of the ramifications of the liberal tradition. This perspective considers the importance of non-state players, including EU institutions. As Niemann and Schmitter (2009:48) made clear "Once established, institutions can take on a life of their own and progressively escape the control of their creators". For example, the Commission is considered as playing an important and independent role. Nugent (2001:219) explained "What must also be recognised...is the important and independent role of non-governmental actors. The Commission is generally seen as being the most prominent of those non-governmental actors". In addition, supranationalists underline the prominence of the Commission in shaping the policy agenda, and formulating and drafting policy proposals (Nugent, 2000). Niemann and Schmitter (2009:50) pointed out "...the Commission...occupies a privileged position of centrality and authority, enabling it not only to direct the dynamics of relations among states but also the relations of interest groups within each state". The concept of spillover is used in neofunctionalist explanations in order to identify the driving force and logic for change, i.e. how the creation of common policy in one sector generates the need to transfer policy making in related sectors to the supranational level (Apeldoorn et al., 2009). For example, with regards to energy policy, supranationalists would argue that changes in energy domain in the 2000s followed the logic of spillover, which was triggered by the success of energy market liberalization in the 1990s.

With regards to explanations of the shifts in EU energy policy, the liberal approach focuses on the issue of complex interdependence, and thus on external influ-

ences on EU energy policy. The concept of complex interdependence is especially relevant in explaining actions in the climate change dimension. Liberals would argue that climate change developments could be regarded as an example of complex interdependence, i.e. EU actions on climate and potential solutions to climate change depend on what other regions or states do. Although the EU has been trying to play a leadership role in the climate change domain, its actions ultimately depend primarily on the world's biggest polluters, the US and China. Some argue that complex interdependence can partly explain developments in this domain. Nevertheless, the liberal understanding does not capture all aspects of what the EU Commission is doing here. At the EU level, climate change has been regarded not only as an environmental issue, driven by complex interdependence, but to a large extent as a long-term growth constraining issue. For example, the Commission views that climate change would eventually hit productivity in key sectors such as agriculture. Moreover, the Commission views climate-oriented investments and innovations as important pillars for long-term growth (European Council, 2000). In other words, the EU is not just reciprocally contributing towards climate change as a global public good, but is also attempting to use it as a springboard for forward-looking development. The neo-Gramscian approach informed by a historical institutionalist perspective can thus better accommodate this explanation as it is able to take into account the historical creation of the EU's institutional framework, as well as long-term socio-economic conditions.

In explaining shifts in EU energy policy and the influence of different actors, liberal oriented accounts underline the independent role of the Commission and other non-state actors in launching new energy policy initiatives (Eikeland, 2008). Moreover, supranationalists could argue that the Commission has been playing a proactive and integrative leadership role in leading changes in EU energy policy (Niemann and Schmitter, 2009). For example, the decision to focus on energy market liberalisation

could be regarded as a result of the functional spillover effect generated by the general single market agenda. Nevertheless, on the contrary from historic institutionalism, supranationalists do not explain the origins of the long-term growth-oriented nature of the EU Commission. Although my theoretical perspective takes the Commission as the leading force in fostering shifts, in contrast with supranationalist understandings it also considers its proactive forward-looking stance as stemming not from the automatic logic of spillover, which is essentially a deterministic structural pressure, but from its historical institutional set-up based on the French public administration tradition of planning. In other words, one could argue that the Commission's attempts to lead the development of a new long-term energy order have been caused not by the mechanism of "spillover", but by the long-term objective of ensuring a viable regime of economic development. Compared with supranationalism, the neo-Gramscians do not take the structure as overly deterministic but as shaped and reshaped by the strategic actions of different players. The neo-Gramscian framework transcends an overly structural understanding of change, and thus illuminates the role of agency in the struggle for hegemonisation within three sites of power (material, institutional, discursive). As Cox (1987:395) explained "...structures are not in any deeper sense prior to human drama itself....Structures are not "givens" (data), they are made (facts)...". Furthermore, another important shortcoming of supranationalism is that it does not elaborate on the question of power. For example, supranationalist perspectives do not explain why some groups are more successful and powerful in influencing developments in the energy policy domain. As Apeldoorn et al. (2003:23) argue "The crucial problem with supranationalism is that many important aspects of this approach remain rather under authorized. For example, there is no explanation of where transnational interests come from and why they would be so powerful". In order to understand and explain why some groups have more influence, in my neo-

Gramscian theoretical account I recognise the structural power of capital vis-à-vis the state. However, the Commission is not constrained by the structural power of capital as, on the contrary from member states, it is not directly dependent on business for taxation or employment. Despite certain common understandings with the neo-Gramscian perspective, supranationalists do not therefore explain the origin of the Commission's forward-looking policies.

3.3. Ideational perspectives

Constructivism emerged as a result of the critique of realist and liberal oriented approaches. Some constructivists accentuate the role of ideas in the process of structural change. For example, Blyth (2002:11) claims that "ideas allow agents to reduce uncertainty, propose a particular solution to a moment of crisis, and empower agents to resolve that crisis by constructing new institutions in line with these ideas". There are different branches of constructivism. For example, Wendt (1999) develops the structural constructivist thinking and his central argument is that political action is driven by the ideational not material factors. According to Sikkink (2011:21) "...structural constructivism" focuses on the deep ideational structures that guide state behaviour. In many situations, these constructivists argue, states and individuals don't make rational choices about what to do but instead are guided by almost automatic understandings of what is appropriate behaviour in particular circumstances". In addition, Wendt's version of constructivism is state-centric in explaining change. As Wendt explained "...system change ultimately happens through states" (Wendt, 1999:9). Moreover, other constructivist perspectives such as social constructivism highlight the intersubjective quality of convergent expectations as a necessary condition for cooperation. According to the social constructivist approach, constant interactions at the EU level affect the national positions. As Risse (2009:148) claimed "...actors try to figure out the appropriate rule in a given social situation. It follows

that social institutions including the EU can no longer be viewed as ‘external’ to actors. Rather, actors, including corporate actors such as national governments, firms, or interest groups are deeply embedded in and affected by the social institutions in which they act”. Social constructivists thus underline that the actions and interests of different players are shaped by their interactions at the EU level.

Other ideational perspectives such as post-structuralism assume that human reliance on language is so complete that there is nothing outside language. There are obvious similarities between social constructivism and post-structuralism. As social constructivists, the post-structuralists focus on discourse as bounded areas of social knowledge and argue that meaning is derived from the historical, social, cultural, and institutional context in which discourse is conducted. However, on the contrary from social constructivism the post-structuralists reject the distinction between the material and ideational dimensions. Instead of seeing structure and agency as two different entities the post-structuralists assume that these entities are directly implicated in each other through discursive practices. As de Goede claims (2001:152) “Discourse provides criteria of intelligibility that establish the conditions of possibility for social being and, as such, cannot be considered as separate from, or secondary to, the material realm”. In terms of EU governance and decision-making, the post-structuralists envisage a free flow of discourse without explaining the origins of discursive formations. Moreover, post-structuralists focus on state-nation discourses where the central place for discursive contestation is the national setting. According to Wæver (2009:173) “The theory does allow for a European (‘Brussels’) scene as an overlapping layer, but this is secondary to the basic construction in terms national spaces. In this sense, it... privileges national context over socio-economic orientation”. Furthermore, post-structuralist analysis emphasises the inherent tensions in any attempt to create coherent EU wide policy discourse.

Neither constructivism nor post-structuralism can thoroughly explain the strategic contestation between heterogeneous groups in the EU energy policy domain during its different phases. Structural constructivists underplay the significance of the role of non-state players, including the Commission in explaining contestation and shifts in EU energy policy. Moreover, the underlying power structures are not recognized and/or explored because of the delinking of ideational contestation from material constraints. In other words, the missing part is the analysis of why certain players use one discourse or the other and how it relates to broader structural conditions. For example, I argue that due to the importance of stable and adequate supplies of energy for economic growth, certain business groups structurally affect the energy discourses of some member states. In addition, I claim that there might be exogenous and relatively autonomous shocks, such as the eruption of economic crisis, energy disruptions or technological advances which affect energy policy phases and which cannot be explained solely within the discursive realms. However, in line with some constructivist accounts, I argue that ideas are not just automatic reflections of material conditions. On the contrary, the relationship between different domains is reciprocal, meaning that powerful ideas might equally affect material and/or institutional dimension(s). Furthermore, the post-structuralist focus on the distinctiveness of national discourses does not allow us to reveal the emergence of EU wide policy discourse in the process of ideational contestation. The role of agency is not developed in certain post-structuralist traditions. It does not allow us to account for how different players in the energy domain attempt to create change and transform ideas in order to establish hegemony. For instance, one would not be able to explain the Commission's attempts to provide forward-looking energy policy. Furthermore, these struggles are reduced to discursive contestations, neglecting institutional and material power domains at the EU level. In order to provide a thorough explanation of contestations

during different phases of energy policy one must also reveal the material, ideational and institutional strategies.

My theoretical approach resonates to some extent with critical constructivism (Apeldoorn et al., 2003). Referring to critical constructivism Apeldoorn (2002:15) explained “Ideas can neither be simply reduced to interests nor (as in idealism) be reified as existing prior to practice. It is only in human activity that ideas are generated...”. In line with some neo-Gramscian approaches (Cox, 1987), I make a distinction between two kinds of ideas, “intersubjective meanings” and “collective images”. I argue that the formation of certain intersubjective meanings, or shared notions of the nature of EU organisational and decision making objectives, cannot be understood without examining historically conditioned circumstances. For example, I argue that the EU historical institutional set-up affects the way that individuals and groups are able to understand their roles and interests. In other words, the claim that the content of any ideological practice is shaped by the institutional position of the players who engages in it is upheld here (Apeldoorn, 2002). Moreover, the other kinds of ideas relevant for the formation of hegemony are collective images of a particular order or situation held by different players. The rival collective images held by different actors clash and thus provide the opportunity for alternative paths towards discursive hegemony (Cox, 1987). According to Bieler (2000:13) “...neo-Gramscian perspectives take into account the independent role of ideas. On the one hand, they are considered to be a part of the overall structure in the form of “intersubjective meanings”...On the other hand, ideas may be used by actors as “weapons” in order to legitimise particular policies and are important in that they form part of a hegemonic project...”. In my research I focus on struggles at the ideational level and explain how different players use ideas as weapons in hegemonic struggles. In addition, I argue that agency equipped with powerful ideas might have an influence on the material and institution-

al dimensions. On the contrary from more deterministic reading of constructivism, I treat ideas as competing ideologies that certain groups often use in a war of position in order to establish policies, norms, and institutions that affect the formation of the EU energy future in one way or another. The approach presented here explores the capabilities of, and attempts by, state and non-state players to spread ideas in a process of hegemonisation, thus raising questions of power and influence. In other words, the dissemination of ideas is not a quasi-automatic process but depends on actors' discursive, material and institutional capabilities and skills. As Apeldoorn (2002:9) explained "...ideas do not float about in an endless universe of meaning, but are seen as produced by human agency...". In order to understand the dynamics of discursive struggle it is important to link ideological discourse to agency, i.e. to acknowledge that it is dependent upon human practice for its reproduction and transformation (Apeldoorn, 2002). As a result, I focus on the dynamic ideational struggles in the process of hegemonisation. In order to explain the role of the Commission in the process of manufacturing consensus, I consider ideas as intervening variables used by actors together with material and ideational strategies.

Summary: An analytical framework

By using historical institutionalist accounts in my project, I argue that contestation between the Commission's path dependent long-term orientation and the particular interests of member states and other non-state players generate a process of contestation that eventually shapes certain changes the prominence within EU energy policy. This change comes partly out of a struggle which can be explained and illuminated by using a neo-Gramscian approach. I will focus on the role and power of the Commission and other state and non-state actors in the construction of a forward-looking hegemonic energy order. Despite the lack of state-like attributes and powers, we should still take into account the role of the Commission in leading the develop-

ments and changes in the EU energy policy. Due to its historical institutional DNA, based on the principle of long-term economic planning, the EU Commission could be considered as a forward-looking institution. Moreover, the Commission is interested in economic development in order to help preserve sustainable peace in Europe. In addition, in periods of more inclusive growth, it is easier for the Commission to promote long-term policies because they are more receptive among other actors. Furthermore, the Commission's forward-looking policies can be in conflict with the policies of member states in the Council and other non-state players.

Following this line of argument, one could argue that, due to its ability to reveal the mechanisms and strategies of struggle over energy policy and to reveal the proactive role of the Commission in this contestation, the neo-Gramscian approach goes hand in hand with historical institutionalism. Compared with other theoretical perspectives that narrow the explanatory picture by providing either overly structural or overly agent-based explanations, the neo-Gramscian perspective focuses on the three dimensions of hegemonisation to allow us to bridge the agency-structure dichotomy in order to show how a struggle over interests is taking place in the EU across these three dimensions: the material, organisational and discursive. In addition, the neo-Gramscian approach explains the use of hegemonic actions at the ideational level in order to resolve collection action problems. Moreover, it allows us to understand more comprehensive developments in the energy sector, and to provide a more informative account of European-wide energy hegemonisation. The main advantage of the neo-Gramscian approach lies in a multidimensional concept of hegemony. Its central assertion is that, compared with national governments, the Commission is able to transcend the short-term structural constraints of capital accumulation and lead the development of long-term energy policy. Moreover, state and non-state actors compete at the EU level in order to lead energy policy hegemonisation. Together with

states, and environmental and social NGOs, the Commission is trying to create hegemony over its long-term policy orientation in energy domain. For example, with regards to the construction of EU energy policy, the neo-Gramscian framework helps to explain how pro-liberalisation or pro-decarbonisation blocs attempt to construct hegemonic order by exercising the material, organisational and discursive elements of power. In addition, it helps us to understand how the existing bloc attempts to maintain the status quo and dismantle the counter-hegemonic war of position by various strategic actions. Its lack of certain material powers gives the Commission an incentive to focus more on other levels, such as the discursive. In addition, my theoretical perspective acknowledges the relevance of agency-led discursive struggles between different players. In order to flesh out the strategic dimension of discursive struggles, and to expose the practical nature of strategies of transformismo, I apply some rhetorical instruments and use the post-structuralist logics of equivalence and difference.

Both realist and liberal-oriented understandings, as well as social constructivist and discursive approaches, offer competing explanatory perspectives. These alternative readings all grasp certain relevant aspects of the struggle to lead the construction of a new energy future in Europe. For instance, realism and liberal intergovernmentalism help to explain the significance of states as important actors in developing EU energy security policy. Moreover, the liberal-oriented account deepens our understanding of the role of supranational actors, including the EU Commission. Furthermore, constructivism points to the importance of intersubjective ideas in the struggle for the creation of a new energy security order. Some less radical and more agency-oriented discourse approaches analyse how different actors are engaged in ideational struggles by framing energy issues in a particular way. The neo-Gramscian approach, informed by the historical institutionalist framework, overlaps in one way or another with certain aspects of a critical constructivist perspective. For example, although the

neo-Gramscians reject a state-centric understanding in their analysis, the importance of states in the struggle for hegemony does play an important role in my approach. In addition, the neo-Gramscian perspective acknowledges the relevance of agency-oriented critical constructivism and the importance of ideologies in the hegemonic struggle between different blocs.

Chapter 2

The struggle for energy market liberalisation

Introduction

Over the course of development of the European Communities, and prior to the creation of the European Union in 1992 with the signing of the Maastricht Treaty, attempts to create European energy policy were unsuccessful. Despite the fact that two of the three original treaties, the ECSC and Euroatom, both concerned energy, the establishment of a common European approach to energy challenges was never fully realized. Energy has always been a primarily national security issue, i.e. countries were mainly interested in the security of their energy supply in order to ensure stable economic growth.

The development of energy policy in Europe can be separated into several periods. First, after the Second World War and until the 1960s, energy supply was a major problem facing the six members of the ECSC. At this time energy was largely produced from domestic coal supplies (Andersen, 2000a), and energy cooperation led to wider European economic and political cooperation. Second, from the 1960s until the mid-1970s, due to the transition to cheap oil, energy was not a pressing issue on the European agenda (Andersen, 2000a). There were thus no major breakthroughs in energy cooperation at this time. In the third period, from the mid-1970s and a large part of 1980s, a preoccupation with the security of energy supplies was developed due to problems with oil prices and the stability of supply. Since then one can see complex evolving processes to create European energy policy, often responding to certain external events and shocks. It could be argued that, in the mid-1980s, there was a paradigm shift in the European energy domain as a number of important initiatives brought liberalisation and competitiveness to the forefront of European energy policy. Following the Single Market Agenda, the Commission saw energy as an inex-

tricable part of its long-term accumulation programme to foster European competitiveness and growth. The Commission proposed energy liberalisation initiatives in order to open up national energy markets, create a proper regulatory environment for the functioning of an internal energy market (IEM), and to deal with energy monopolies or vertically integrated energy companies which controlled all sections of the value chain: production, distribution and supply. Despite some progress, the process of energy liberalisation was in general slow. Matlary (1997:12) claims “The Commission’s push towards the creation of an IEM has met with mixed success. Many of its controversial proposals have not been adopted, and those who have been adopted have been substantially diluted”. The period of energy liberalisation can be divided in two parts. First, in the period between the end of the 1980s and the early 1990s, there was no progress towards the creation of an IEM as all initiatives proposed by the Commission were rejected by the anti-liberalisation bloc. Nevertheless, after 1994 some progress was achieved in the electricity domain. In this period competitiveness thus became the most prominent dimension as the Commission began to focus on the creation of an IEM.

This chapter analyses and explains the challenges of European energy market liberalization proposed by the Commission. I will explain how the Commission, together with other players in the pro-liberalisation bloc, tried to make significant steps towards the creation of an IEM. In addition, I will assess the influence and strategies of pro-liberalisation and anti-liberalisation groups in the process of energy market liberalisation. In the first part of the chapter, the historical and ideological differences of energy governors and regulators will be evaluated. Furthermore, I will explain the first attempts by the Commission and other players in the pro-liberalisation group to lead a neo-Gramscian war of position in order to change monopolistic energy structures. Moreover, the actions of the anti-liberalisation bloc and the main challenges to

creating a competitive energy market will be analysed. In addition, I will reveal the underlying changes in the energy liberalization positions of certain businesses and members. Finally, I will explain how, in this changing environment, the anti-liberalisation bloc led by France attempted to incorporate new contradictions, in order to adapt to this new environment and thus maintain the status quo in European energy governance.

1. Historical context and ideological differences

1.1. The role of energy regulation in different capital accumulation models

Before analysing the Commission's actions in a war of position on energy liberalisation, one must identify several ideological justifications for energy governance, and their historical roots. It should be pointed out that in Europe in the 1980s there co-existed distinctive types of economic growth models. Schmith (2003) distinguished three post-War models of capitalism: *market capitalism* characterised by Britain, *managed capitalism* by Germany and *state capitalism* represented by France. For example, in Britain's market capitalist model that was promoted by the Thatcher government, the state generally maintained arm's length relations with business. It sought to limit its role to arbitrating among economic actors while leaving the administration of the rules to self-governing bodies. Germany's managed capitalist model enabled the state to focus on facilitating business activities through more targeted aid to industry by way of regionally provided subsidies and loans, support for research and development, as well as education, apprenticeship and training programmes, while often leaving the rules to be jointly administered by economic actors (Schmith, 2003). State capitalist France's dirigiste or interventionist state, by contrast, sought to direct economic activities through planning industrial policy and state-owned enterprises, in addition to the ways other states promoted business, while it administered

the rules itself, as often as not through the derogation of the rules in favour of business. As a result, different accumulation regimes were present across the European economic landscape.

Energy is a primary input to any successful regime of capital accumulation. Without a secure energy supply and adequate energy prices, states would not be able to ensure continuous economic growth, or social and political stability. Moreover, one may argue that different capital accumulation models have a direct influence on the way the economic and energy sectors interact. As Paterson (1996:161) claims “Much of the differences in industrialised states’ policies can be explained through the differing relationship which their economies have to energy: in other words, to the place energy has in the overall process of capital accumulation...”. In addition to different capital accumulation approaches there are also distinct types of energy organisation and governance. Hirschhausen and Waelde (2000) distinguish two types of Western energy sector organisation: neo-liberal (Anglo-Saxon) and French. The former allows more competition for power generation and distribution; according to Hirschhausen and Waelde (2000:8) “the Anglo-Saxon approach...pursues a very direct approach to privatisation, corporatisation and competition. Wherever technically possible, it creates a series of independent companies at the level of power generation and power distribution, exposed to competition from each other and from newly emerging independent power producers. Transportation – where still necessarily a natural monopoly – is opened-up by third-party access of competitors to electricity grids or gas pipelines...Under the influence of independent regulatory agencies, competition develops or is promoted by the regulators. The logic of the Anglo-Saxon model leads to competition on the level of retail electricity and gas distribution as well as power generation and gas extraction and trading”.

On the other hand, the French system supports the creation of state-protected vertically integrated monopolies which control energy production, distribution and supply services. Hirschhausen and Waelde (2000:9) explain “French system, by contrast, relies largely on integrated monopolies, protected against competition from outside, operating with some forms of supervision/planning by the competent central government ministry. Energy is produced, transported and distributed by large, integrated organisations. Energy is available everywhere and under similar conditions”. Thus, the organisation of the energy sector could be divided into several distinctive types of regulation.

It could be argued that, in the past, an absolute majority of European countries believed in a strong state regulated energy model and were in favour of the French approach. Nevertheless, in the changing context of capital accumulation in the 1980s, a gradual transition towards a more competitive model of energy governance has started to emerge. The UK’s and France’s energy sectors could be analysed in more detail as exemplars of neo-liberal and French models of energy governance and regulation in Europe. For example, in France the dominance of planning and public service obligation played a significant role in the development of energy sector. This obligation was rooted in the aftermath of the World War II when the government created EDF (*Électricité de France*) and GDF (*Gaz de France*), two national utilities, in order to rebuild its energy infrastructure and to provide energy for both industries and citizens (Interview 2). Pinto et al. (2004:6) made it clear that “EDF...was created in the wake of the Second World War when hundreds of regional power suppliers and distributors were nationalised and it had played a crucial role in rebuilding France’s war-shattered industrial infrastructure”. Moreover, in the case of France, the government encouraged the consolidation of national companies in order to create big energy champions with all the powers to compete with the largest US corporations. Ac-

According to Heuvel et al. (2010:51), the “French government believed that the French economy could only be revitalised by the large firms being supported until they became dominant”. The lack of domestic energy resources in France was an important reason for the government to step into long-term energy planning and development in order to reduce oil-dependence and improve the security of supply. The development of the nuclear industry after the 1970s OPEC oil supply crisis required time and stability. Finon (1996:21) pointed out “This stability was guaranteed by the centralised nature of the energy industries, their proximity to the State and the isolating of decision process from the political arena. The nuclear programme thus became part of the great French tradition of “Colbertism”, the tradition of strong state intervention in industry and technology”. France, during this period, could therefore be regarded as an example of the monopolistic approach in the national energy domain.

Although the case of the UK serves as an example of the neo-liberal type of energy sector regulation, it must however be emphasised that, for much of the post-war period until the election of Thatcher in 1979, the British energy sector was governed through publicly-owned firms which dominated following the nationalisation of the coal, electricity and gas industries in the late 1940s by the post-war labour government (McGowan, 1996a:134). Helm (2003:1) claims that “Until the 1980s, it was a conventional wisdom of the post-war years that markets are hopelessly inadequate in providing appropriate energy supplies”. State-owned monopoly companies looked like the unquestionable model for successful energy governance. According to Helm (2003:17) “With the exception of France, few countries have been quite as obsessed as Britain has with the idea that the ownership of industries is crucial to their performance”. Nevertheless, in the 1980s changes in the post war accumulation order began to emerge. In Europe, Britain began to lead the transition towards a neo-liberal energy order. The principles of competition and privatisation began to shape not only Euro-

pean economic policies, but also energy policy. The provision of energy goods and services via publicly owned energy companies was increasingly being presented as problematic due to them aggravating problems of overload (Kuzemko, 2015). As Helm (2003:2) points out “Security of supply would no longer be driven by government, but instead would be the outcome of market forces. The job of government was limited to setting the framework within which the scope of market forces would be maximised”. The UK serves as a representative exemplar of the neo-liberal type of energy governance. Margaret Thatcher’s Conservative government saw liberalisation and privatisation as fundamental reforms for improving Britain’s economic performance. As Nigel Lawson, Secretary of State for Energy under Thatcher’s government, pointed out in 1982 “I do not see the government’s task as being to try to plan the future shape of energy production and consumption...Our task is rather to set a framework which will produce and ensure that the market operates with a minimum distortion and energy is produced and consumed efficiently” (Helm, 2004:57,58). Thatcher’s stance on energy liberalisation also played a role in exporting a liberal market policy orientation to the rest of the European Community, and contributing to the launch of the single market. One could argue that one of Thatcher’s most enduring legacies was her staunch support for these single market policies (LSE Public Policy Group, 2013).

The French and British cases could be regarded as representative of wider European energy governance. Other European countries took similar ideological approaches to handling their electricity and gas industries in a post-war period. For example, in the Netherlands, Italy, Greece and Belgium, energy sectors were governed by large monopolistic companies which were owned by government (Genoud and Finger, 2004:31). On the other hand, following the British energy transition, there were some shifts in energy policy thinking towards a more competitive approach. In

the 1980s and 1990s, the Nordic countries (Sweden, Denmark, Finland and Norway) became the main supporters of a market-oriented approach in the energy domain. However, the Germany energy situation was more diverse. There was no uniform order in Germany when it came to regulation and government involvement. Matlary (1997:34) points out “German energy policy is characterised by a curious mixture of market reliance and strong state intervention”. I will analyse in more detail the models of energy regulation in these countries later in this chapter, where disagreements within the Council are discussed.

2. The emergence of pro-liberalisation and anti-liberalisation blocs (1989-1993)

Given different accumulation models, and historical and ideological differences in national approaches to energy governance, it is not surprising that EU countries split into several distinct groups, namely the pro-liberalisation and anti-liberalisation blocs. In other words, a major divergence emerged between the EU countries which supported the deregulation of national energy markets, as well as the creation of common European competitive energy market, and countries which largely relied on their vertically integrated monopolies, protected from external competition. These divergences between two groups became especially acute and intensive during the negotiations and debates over energy market liberalisation, which were led by the Commission from the end of the 1980s. I will analyse the specific policies, strategies and shifts of these blocs in subsequent sections. However, before going into a detailed analysis and explanation, one needs to assess which players belonged to these distinct groups.

It could be argued that, at the end of the 1980s, the Commission together with other state and non-state actors led the pro-liberalisation bloc. For example, countries such as the UK, Portugal and later the Nordics, expressed strong pro-liberalisation attitudes. Moreover, energy intensive industries and global consultancy corporations

were also part of pro-liberalisation group. On the other hand, the monopolistic vertically integrated energy utilities and their associations in Brussels, together with member states such as France, Germany, and the Netherlands, led the anti-liberalisation bloc. In addition, Italy, Greece, Belgium and Spain expressed their opposition to energy market liberalisation (Genoud and Finger, 2004:31). Furthermore, the anti-liberalisation bloc was supported by certain civil society associations and research centres (European Information Service, 1994). Despite this general description of the composition of these blocs, it should be pointed out that this composition changed over time. Important changes in this respect will be discussed in more detail in the subsequent parts of this chapter. In the following subsection, I will analyse how the pro-liberalisation bloc, led by the Commission, unleashed a war of position in seeking to have its long-term growth interests accepted as common European interests. At the end of the 1980s and beginning of the 1990s, the struggle between pro-liberalisation and anti-liberalisation groups thus began to shape developments in the EU energy sector.

3. The pro-liberalisation bloc and its attempt to challenge monopolistic energy structures

3.1. The single market as a response to long-term growth challenges

In the mid-1980s, the Commission of the European Communities (today the EU Commission) began a programme of long-term economic revitalisation. The Delors Commission proposed an economic programme to create a single European market which would bring long-term economic benefits. As was argued earlier, the Commission is a long-term pro-growth oriented institution and, compared with some national governments, takes a broader view with regards to the interests of capital accumulation. In other words, the Commission viewed a single market as a long-term development engine which would help to respond to growing internal and external

challenges: high unemployment, stagnated growth, declining competition in comparison to the US and Japan. In its 1993 White Paper “Growth, competitiveness, employment: The challenges and ways forward into the 21st century” the Commission warned about a legitimacy crisis in Europe caused by major economic and social challenges: “we are faced with the immense responsibility...of finding a new synthesis of the aims pursued by society...and the requirements of the economy...This major challenge confronts us all” (European Communities, 1993). Moreover, commenting on The Cecchini Report, a study which laid out the benefits of a single market, Lord Cockfield, Vice President of the Commission of European Communities, argued that “...failure to achieve a single market has been costing European industry dearly in unnecessary costs and lost opportunities; that the completion of the Internal Market will provide the economic context for the regeneration of European industry in both goods and services; and that it will give a permanent boost to the prosperity of *the* people of Europe and indeed of the world as a whole” (Cecchini et al., 1988). The single market programme was thus promoted as a tool for tackling emerging long-term development challenges.

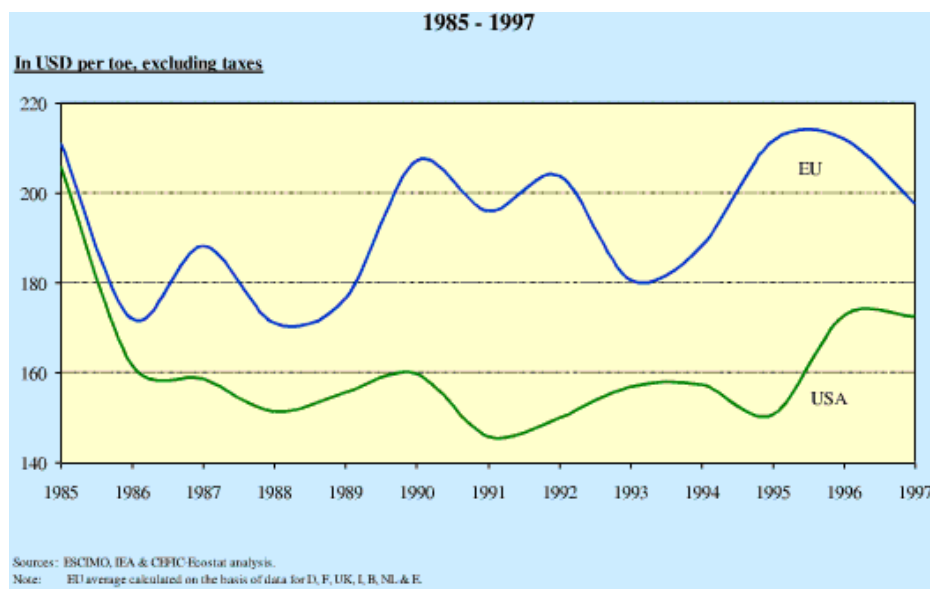
The European energy sector was for a long time governed primarily at the national level. However, after 1985, energy became one of the main concerns of the broader European internal market programme (Matlary, 1997:1). The Commission led the development of European energy policy that, at the end of 1980s and the beginning of the 1990s, began to focus on competitiveness/efficiency and became part of the development of single market policy. In 1986, a Council Resolution signalled that a new market-oriented approach should constitute the principal mechanism for securing energy supply in the Community (European Council, 1986). It could be argued that in the 1980s the Commission took the first steps for the creation of an IEM. Energy policy was discussed in a special White Paper on Energy Policy in 1988,

which tried to detect barriers to the creation of an IEM and evaluate the possibility of their elimination (Andersen, 2000b).

One could argue that the revitalization of long-term economic development was inseparable from changes in the energy domain. In its 1993 White Paper on Growth, Competitiveness and Employment, the Commission recognised the strategic nature of the energy sector in its new economic development programme. As it was stated in the paper, “Energy can no longer be seen as unlimited resource. The relative position of energy in the new development model is therefore a key element to be considered” (European Communities, 1993). Moreover, the Commission saw energy deregulation as a necessary step in increasing efficiency and reducing energy prices, thus making the European economy more competitive in relation to its major rivals the US and Japan (Interviews 6, 11). As was argued at the time, “The reliability and efficiency of energy supplies are key factors in the competitiveness of industry and in terms of their effect on the consumer’s pocket... Furthermore, the opening-up of markets and deregulation means greater competition and thus greater energy efficiency. The competitiveness of European industry would be generally strengthened as a result” (European Communities, 1993). For example, Figure 4 shows that, during the mid-1980s, the European chemical industry (representative of energy intensive industries) had a significant disadvantage to the US in terms of energy prices. As we can see from the Graph, this disadvantage reached its peak during the first period of EU energy market liberalisation, which I will analyse in more detail in subsequent sections. Furthermore, responding to new challenges, the Commission called the establishment of a more integrated energy market a vital ingredient of Europe's economic future “The single market is a means of cementing the economic integration of the Community and... a means of making it more competitive in a world which is increasingly open to demanding competition. Hence, a more integrated European energy

market should reduce energy costs, to the direct benefit of individual consumers but also of user industries. The industries...will...become more viable and may increase their competitiveness, and the economic growth thus generated will have favourable effects on employment, *etc*''. (European Communities, 1988).

Figure 4. Average price of energy faced by the EU and US chemical industries, 1985-1997



Source: ESCIMO IEA & Cefic Eurostat analysis

3.2. Unleashing a war of position

Given growing long-term development challenges, the Commission and other actors in the pro-liberalisation group wanted to change the historical monopoly approach in energy towards a market-oriented model with a competitive IEM. My theoretical approach emphasizes the contested and contingent nature of EU politics, and that this contestation takes place across various sites of power (material, discursive and organizational). The neo-Gramscian account helps us to explain the strategies and actions of the pro-liberalisation bloc in trying to create a hegemonic energy order. By assessing how established hegemonic structures are challenged on material, institutional and discursive levels, one can explain the demise of one order and the emergence of another (Gramsci, 1971:180). In addition, Andrée points out that the neo-Gramscian approach also sheds light on the diverse material, discursive and organisa-

tional strategies which are used in order to have particular interests accepted as common interests (Andrée, 2005:159). The objective of the Commission and other players was to create a pro-liberalisation hegemonic structure, i.e. consent regarding the Commission's liberalization policies. The following subsections look more closely at the pro-liberalisation bloc and try to assess the diversity of material, institutional (organisation) and discursive actions which were undertaken in a war of position.

3.3. The pro-liberalisation bloc and the strengthening of the material dimension

According to the neo-Gramscian perspective the material dimension is one where certain financial and technological strategies are employed (Sinclair, 1996:10). At the beginning of the 1990s the pro-liberalisation bloc was rather weak, and the material level was not particularly conducive to articulating a neoliberal view on energy markets. The Commission attempted to alter the material level in ways that would foster its energy policy vision. The first real actions at the European level emerged in the 1990s. In order to strengthen the material foundations and to foster the development of an IEM, the Commission aimed to identify and finance energy projects on the basis of their value to the creation of a common energy market. In other words, the Commission began to change the material domain of European energy policy governance. The guidelines for Trans-European energy networks (TEN-E) were thus created in 1990, with an objective to identify projects of European interest and to provide financial assistance from the Community for the realisation of these projects (Europa, 2007). As was stated in the Commission's communication regarding TEN-E, "network development is still shaped by the national dimension, with the objective of self-sufficiency at national level, which is no longer strictly compatible with the progress towards integration within the Community, particularly with the completion of the internal market...It is therefore necessary for the Community to be

able to take action by establishing guidelines on electricity and natural gas transmission networks with a view to encouraging development and full consideration of the Community dimension of these networks and of the challenges posed by their growing interdependence” (European Communities, 1990). Following the adoption of these guidelines, the Commission created various financial support mechanisms and programmes. The aim was to finance TENs through a mix of public and private sources. As Butcher explains “Any Member State or body within a Member State would be entitled to bid for TEN funds to support a project of common interest. The decision to grant aid to a project rests with the Commission, with assistance from a committee of representatives of Member States for each TEN sector” (Butcher, 2012). For instance, in 1989 the Commission for the first time allocated EUR 21 million for cross-border pilot projects. Following the creation of these pilot projects, in 1990 the Commission established the INTERREG I/REGEN Community Initiative with a budget of EUR 1,082 million. The Information Paper issued by the European Commission states that the “REGEN Initiative...aimed to complete some missing links in the trans-European network for transport and energy distribution” (EC, 2000b). In addition, INTERREG II, created in 1994 for a five-year period, allocated EUR 2.6 billion for fostering cross-border cooperation (EC, 2000b). The Commission’s Progress Report on TEN-E called the development of energy transmission networks for a fully functioning single market as one of the essential objectives of the programme: “If the objective of a single energy market is to reduce costs for the final consumer and industry by improving its competitiveness, this objective...can be achieved only if the market has a Community-wide energy infrastructure. Improving the integration of electricity and gas supply infrastructures thus seems to be an essential element, enabling, in the long term, the strengthening of economic and social cohesion in the community” (European Communities, 1990). In addition to internal en-

energy market development the Commission took other external actions. For example, in 1995 the Commission initiated INOGATE, an international energy co-operation programme. The aim of the programme was to provide financial support to neighbouring countries in order to converge their energy markets with the internal EU energy market on the basis of EU internal energy market rules and principles. These infrastructure developments were financed through the TACIS programme (EC, 1995b). The 1990s thus saw the Commission initiate its first internal and external programmes designed to foster the material dimension of European energy market liberalisation.

3.4. Strategies on the institutional domain

On the institutional level, the pro-liberalisation bloc attempted to stabilise and perpetuate legally binding energy market rules and regulations (Sinclair, 1996). It could be argued that the competition and energy commissioners, and their respective services, led the development of the first legally binding competition directives. The Commission initially focused on the downstream side of competition policy, with the price transparency directive being adopted in 1989. With this directive the Commission for the first time tried to increase the transparency of energy pricing, thereby taking small steps towards introducing competitive elements into the distribution of electricity and gas. According to Andersen (2000a) “The Commission had a three-stage approach to the introduction of internal market directives in the energy sector. The initial focus was on the downstream side of the electricity and gas sectors, but the plan was to move upstream as reforms progressed”. During the same year other proposals concerning transit right for the transmission of gas and electricity were put forth. Furthermore, the fuel transmission directives were adopted in 1989 and 1990, promoting the idea of open access to electricity networks and gas pipelines (Andersen, 2000a). As a result, by the end of the 1980s, the Commission had begun energy

institutionalisation by providing new rules and regulations for the downstream sector of the energy market.

While these proposals could be seen as the first real actions in the creation of an institutional base for an IEM in Europe, major disagreements between pro-liberalisation group and anti-liberalisation bloc erupted in 1990 over the Commission's proposals regarding three main objectives: abolishing exclusive rights over electricity generation and the building of gas and electricity lines; obliging vertically integrated companies to unbundle their accounting and management systems; introducing third party access (TPA) rights to a limited number of high volume gas and electricity consumers so they could choose suppliers from across the Community (Council Directive, 96/92/EC). The Commission's decision to completely revamp energy governance in Europe went against the particular interests of certain state and non-state players. Commenting on the Commission's proposal Matlary (1997:48) explained "A major conflict between the EU governments and the Commission erupted in 1990, over the issue of third party access for gas and electricity networks. Third party access, also called common carriage, means that all suppliers should have access to gas pipelines and electricity grids, subject to the payment of a tariff set by some independent authority. However, in the energy sector, the gas and electricity networks are often owned by energy companies that see the imposition of third party access as unjustified intervention in their commercial activity and are resisting it vigorously". One could argue that these directives symbolised a major step in the institutionalisation of long-term EU energy market regulatory mechanisms and rules. Discussing the importance of the first Electricity Directive, Haghighi (2007:104) points out "This directive was the first and most important measure aimed at achieving a common European market in energy". The so-called transit directives for electricity and gas were therefore the first and most important steps in attempting to establish a

legal framework for energy market regulation, yet they also caused major disagreements between proponents and opponents of energy market liberalisation.

3.5. Discursive actions

In a strategy of neo-Gramscian war of position, the Commission focused on discursive actions as its ability to change the material and institutional levels was rather limited. In the material domain, the Commission had limited financial resources. In addition, significant changes at the institutional level required the Council's support. The Commission and other players attempted to provide a coherent discursive case to portray the creation of an internal energy market as a major step in tackling long-term challenges. In order to create a justificatory framework for change and to strengthen the resonance of its pro-liberalisation discourse, the Commission tried to construct equivalential connections between different demands. First, at the beginning of the 1990s, the objective to create the IEM was clearly linked to industrial competitiveness and efficiency gains. Introducing the Commission's directive, Antonio Cardoso de Cunha, Director-General of DGXVII (energy), said "the opening up of the energy market...will reinforce the competitive position of European industries in the world market and allow electricity and gas producers to optimise their performance" (EC, 1989). In addition, the Director-General of DGXVII emphasised the importance of the element of industrial competitiveness. Cardoso explained "the idea is to open up national markets to Community wide competition and hence reduce industry's costs and increase its competitiveness" (EC, 1989). Moreover, European business and consumer groups concentrated on the importance of industrial competitiveness. For example, the largest European business association, UNICE, pointed out that the Union's energy policy should focus on ensuring a stable supply, at competitive prices, to all sectors which consume energy (FT, 1994a). Furthermore, in a similar way, the International Federation of Industrial Energy Consumers (IFIIEC) urged a reduction in

the cost of energy in order to increase the competitiveness of industrial consumers (FT, 1994a). As a result, the Commission, supported by certain industrial groups and associations, led the construction of pro-liberalisation discourse.

The pro-liberalisation bloc linked the creation of an IEM with demands for energy security. In its 1988 working paper on the IEM, the Commission linked the benefits of IEM creation to energy security. As was stated in the document, “It must be acknowledged that a *more* integrated energy market is a significant additional factor as regards the security of supply for all Member States. Greater interconnection of equipment would make it possible to increase both the solidarity between Member States and the flexibility of the industry. It would therefore increase the emergency resources available in the event of a crisis and create the possibility of additional trading“ (European Communities, 1988:6). Energy market liberalisation was thus strongly linked to competitiveness and security demands.

4. The anti-liberalisation bloc and challenges to creating competitive energy markets (1989-1992)

4.1. Control of material capabilities

Despite the Commission’s long-term orientation and its attempts to strengthen the material dimension of the pro-liberalisation bloc, it should be noted that that major energy groups and national governments had historical control of the financial and technological resources of the energy sector. These players were primarily preoccupied with a short-term interest in capital accumulation. These actors therefore often took investment decisions which contradicted broader European interests in the energy domain. It could be argued that historical state monopolists such as EDF or ENEL invested significantly increasing the profitability of production assets, rather than developing transmission networks (Pinto et al., 2004). Supponen (2011:139) explained that “...national and company interests have influence on cross-border transmission

investments...national and company interests have contributed to serious underinvestment in the European transmission network from the overall social welfare point of view...Profitable interconnectors in import directions are sometimes not developed at all, such as in the case of German and French planned investments". At the end of the 1980s energy exports were primarily done on the basis of bilateral or trilateral agreements between vertically integrated energy utilities or member state governments. For example, in 1990 three major energy corporations in Portugal (Electricidade de Portugal), France (Électricité de France) and Spain (Redesa) signed a trilateral agreement to ensure the supply of 312 MW of electricity to Portugal (FT, 1992a). Monopolistic corporations were opposed to any centralised European-wide energy regulation, and preferred to work bilaterally on individual cases. It was not in the interest of the energy utilities to create a large internal market which would contribute to a loss of their control over prices and regulations. Monopolistic corporations and certain national governments were therefore not interested in building interconnections or accepting the new rules and regulations which would ensure the functioning of the IEM.

4.2. Dominance in the institutional domain

The anti-liberalisation bloc had strong institutional support during the 1980s and the beginning of the 1990s. The Commission was not able to get support from the Council during the 1990s due to a blocking majority. According to McGowan (1996b:17) "A number of member states continue to resist the transfer of sovereignty in energy policy to Community yet they cannot ignore the EU as a constraint of their own autonomy". For example, France, the Netherlands, Germany and Italy were all against the Commission's liberalisation initiatives in both the electricity and gas sectors. In addition, in 1992 these countries acted as a blocking coalition that rejected and returned the Commission's legal proposals regarding the creation of an IEM. It

has been argued that in the early 1990s there was no progress at the Council due to a majority of states opposing the plan and with the Netherlands, Germany and France asking the Commission for a redraft (FT, 1992b). As a result, at the end of the 1980s, anti-liberalisation attitudes were dominant in the Council.

In spite of the fact that there were some differences in the positions of certain states regarding the electricity and gas sectors, there was a strong overall opposition to both electricity and gas developments. It could be argued that France led the development of the anti-liberalisation coalition: “several EC countries, led by France, opposed the third party access proposals because of feared repercussions on their national security of supply” (Platts, 1992). French Industry Minister Dominique Strauss-Kahn pointed out that “France is planning to defend and to promote its energy model until it is shown that moves to open up the gas and electricity markets to competition recommended by the European Commission are advantageous to consumers”. (Europe Information Service, 1992a). In addition, Strauss-Kahn warned that the Commission’s proposals might hamper future investment possibilities. He argued that “Energy supply requires the existence of a public service with all the obligations that entails, and which requires heavy and long-term investments. Who is going to bear the heavy investments?” (Chemical Week Associates, 1992). France was therefore the leader of the anti-liberalisation bloc, opposed to the Commission and other liberalisation players.

Germany declared its opposition to the Commission’s attempt to increase competitiveness through the implementation of third-party access. Moreover, Germany regarded the Commission’s proposals in the early 1990s as unacceptable and preferred to use existing competition law without any increase in regulation (FT, 1992c). Some EU energy experts argued that “the government (German) has already sided with a number of other large States in trying to reject them (proposals)” (FT, 1992c).

Commenting on the Commission's initiatives, the German industry minister pointed out "Instant third party access (TPA) as per the Commission approach would cause a revolution in Germany with dispossession of company property - the grid" (FT, 1992c). Instead of taking major steps towards the creation of the IEM, the German government preferred to move more slowly with incremental progress.

The Netherlands, which presided over the Council in 1991, showed no support for liberalisation. The Dutch government expressed its willingness to divert the focus of its presidency agenda from internal market developments towards external affairs such as the Energy Charter Treaty and the environment (FT, 1991a). Nevertheless, in the IEM domain, the Netherlands expressed its opposition to any change, especially in the gas sector. As it was argued "in terms of Commission policies within the Community, the Dutch are opposed to either a convergence of energy policies through creating an energy chapter in the Treaty or in advancing free market mechanisms through the internal energy market. They have strongly opposed the...third party access ideas. The Dutch have already made it clear they resent the way the Commission announced publicly its intention of acting against its import/export monopoly in electricity before informing The Hague and some months before the actions were ready" (FT, 1991a).

Following the Dutch example, the Italian government focused on energy security concerns. It could be argued that security of supply was a keynote of Italy's energy policy, and something that strongly affected its attitudes. Commenting on the Commission's approach regarding the IEM, a senior policy-maker in Italy made it clear "EC Energy Commissioner, Cardoso e Cunha, is obsessed with the idea of allowing the final user to buy gas where it is cheapest. If he could, he would have consumers buying on the spot market. Our priority is availability. The price is secondary compared to actually having the gas" (FT, 1991b). A clear preoccupation with energy

security meant that Italy regarded a market-oriented energy policy as contradicting these concerns. Some European energy security experts stated that “The Italian government has been probably the slowest among any of the major EC countries to embrace the 'more market' policies of the 1980s. Its politicians and senior officials in many cases seem less than wholeheartedly committed to allowing the private sector a greater stake in the energy industry, or indeed to the government involving itself less in the economy as a whole. They generally still fully endorse the concept that in some sectors there are natural monopolies” (FT, 1991b). As a result, the Italian government sought to protect the monopoly power of Enel over the electricity trade, something that the Commission viewed as an anti-competitive action.

4.3. Capital accumulation models and energy constrains

As was argued in a previous section, the pro-liberalisation group faced a blocking majority in the Council. The strong opposition from anti-liberalisation countries such as France, Italy, the Netherlands and Germany with regards to the Commission's energy market liberalisation initiatives, were to a large extent caused by different relationships between energy and capital accumulation. National accumulation strategies and the role of the energy industry in these historically grown structures explains the vigorous opposition to the Commission's IEM initiatives. In the following paragraphs I will analyse the energy governance models in the anti-liberalisation countries the Netherlands, Germany and Italy, in more detail.

The energy sector in the Netherlands was governed by active state involvement. In the Netherlands in the 1980s, the government was focused on reducing the number, but at the same time increasing the size of the energy distribution companies, thus monopolising the energy market. One could argue that these actions were taken in order to achieve greater economies of scale and increase efficiency (Jong, 2006). Moreover, using the *dirigisme* justification, the government intervened in the energy

domain and energy policy developments. According to Verkuyl et al. (2005:120) “Some vertical integration was...achieved on the production and transmission level through the establishment of the Dutch Electricity Generating Board (SEP)...whose shares were held by the individual production companies”. The justification of this monopolistic structure was based on security concerns. Furthermore, the second round of energy restructuring came after the oil crisis in the 1970s when the number of energy production companies was reduced from 14 to 4. In the Netherlands, all the EU liberalisation initiatives of the 1980s were viewed negatively. The real concern in this area was gas where the Dutch government had strategic interests. As Jong explained “Liberalisation of the energy market was a threat to Gasunie and its monopoly function in marketing the huge Dutch gas resources, including the successful Dutch policy for developing the small gas fields” (Jong, 2006:3). In discussions with the EU Commission the Dutch minister of economic affairs made it clear “I am and will continue to be a monopolist” (Jong, 2006:3). The Dutch government thus saw energy as a strategic domain which could be sustained by state intervention.

In contrast with French or British state monopoly models, energy regulation in Germany in the 1980s and early 1990s could be defined as a model of *territorial (regional) monopolies*. Discussing Germany’s electricity sector organisation Heuvel et al. (2010:53,54) argued “In Germany the situation is more complicated. Power generation has been done by private companies for a long time. The local, regional and supra-regional distribution and supply companies were owned in many cases by municipalities and sometimes together with private utilities”. One could argue that the German electricity sector was similar to the French model of regulation, as it was dominated by an oligopoly of vertically integrated companies (Heddenhausen, 2007). According to Brandt (2006:4) “In the framework of territorial monopolies the production, transmission and distribution segments were clearly in the hands of the large

network energy supply companies. The municipal utilities participated in the profits of the network energy supply companies by capital shares”. Regional monopolistic entities were therefore dominant in Germany’s energy domain.

In Italy, the French model of regulation in the energy domain was justified on the basis of security concerns. According to Paoli (1996:111) “For some twenty years Italian energy policy was based on the twin assumption that energy supplies, and in particular that of oil, were a cause for concern and that direct intervention on the part of the State was an effective and efficient way of tackling this problem. Energy policy was dirigiste in nature, i.e. it aimed to establish exactly what it was necessary to do and it possessed the means to do so through the compliance of the energy supply sector”. Due to security concerns in Italy, the energy domain was the subject of public intervention. As a result, opposition from anti-liberalisation countries such as France, Italy, the Netherlands or Germany can be explained by looking at the historical organisation of their energy sectors. One could argue that these countries saw state intervention in energy domain as the most effective model in ensuring energy security and economic efficiency.

4.4. The promotion of an anti-liberalisation discourse

4.4.1. Attempts to decouple pro-liberalisation ideology

With respect to the discursive dimension, the anti-liberalisation bloc attempted to weaken pro-liberalisation ideology by denying or decoupling the main arguments of pro-liberalisation discourse. Both state and non-state players were actively engaged in this ideological struggle. In expressing its opposition the anti-liberalisation bloc tried to decouple various demands in order to negate the economic and social underpinnings of the Commission’s liberalisation initiatives. The first layer of anti-liberalisation discourse came from industrial groups and associations that represented the interests of vertically integrated corporations. These groups attempted to

undermine the pro-liberalisation bloc by decoupling the creation of TPA from debates surrounding energy security. As was argued in previous sections, many national business groups and associations were active domestically. Nevertheless, from the beginning of the 1990s, the situation began to change and more groups directed their attention at the EU level. One of the most active groups in Brussels, the European Confederation of Public Sector Energy Distribution Companies (CEDEC), was created in 1992 with the objective of undermining energy liberalisation proposals. According to energy experts, “CEDEC itself was formed in May 1992, as public sector energy distributors from the five countries (France, Italy, Germany, Belgium and Austria) increasingly realised that the Commission's plans to liberalise the energy sector by introducing TPA would undermine their traditional role as monopoly suppliers for a single area” (FT, 1994b). It could be argued that the CEDEC attempted to spread anti-liberalisation discourse and make it more difficult for the Commission to legitimise its decisions. At one of its annual conferences, the CEDEC opposed the implementation of TPA by emphasising that the Commission's proposals could undermine the security of energy supplies. It was argued that the “TPA originally proposed by the Commission could not guarantee an optimal energy supply to all consumers. Providing such a supply...should be the aim of any internal energy market, and this would be undermined by opening up the industrial supply market to competition” (FT, 1994b). Moreover, the CEDEC called the mandatory TPA system a threat which would not serve to optimise energy supply for all purchasers (Europe Information Service, 1994).

At the beginning of the 1990s the electricity and gas industry associations Eurelectric and Eurogas were established in order to represent the interests of the major players. These federations played an important discursive role in trying to break the link between energy liberalization and competitiveness. In addition, the anti-

liberalisation bloc tried to decouple the Commission's liberalisation policy from economic development demands which were historically considered as a necessary building blocs to preserving peace in Europe. For example, Eurelectric pointed out that the Commission's proposals contradicted a number of important economic and social goals of the European Community, such as "harmonious economic development, balanced expansion, a decrease in regional disequilibria and greater social and economic cohesion" (Europe Information Service, 1992b). Moreover, Eurelectric was especially critical of the Commission for creating a *captive market*. In addition, the anti-liberalisation group used a narrative that the electricity sector should not be subject to competition because it is a unique type of commodity. According to Eurelectric "Actually, TPA results in the appearance of two markets: a free one and a captive one" (European Information Service, 1992b). In addition, the European gas industry association underlined that the promotion of competitiveness through TPA in the gas sector might even increase, rather than decrease, the price of energy. In one of its position papers, Eurogas warned that "Eurogas finds 'no persuasive evidence either that so-called 'gas-to-gas competition' will occur beyond the level which currently exists at the European border . . . or that competition, if it did occur, would be in the...interest of the consumer" (FT, 1991c). The main argument of the anti-liberalisation group was that electricity and gas were not classical commodities (such as cars or oranges, etc.), where customer choice was the basis of competition. Moreover, the European gas industry sought to disarticulate the pro-market bloc by stressing that TPA would cause a fragmentation of the EC gas sector and weaken environmental protection. Eurogas compared attempts to liberalise energy markets to risky experiments: "Third-party access is a risky experiment endangering security of supply and environmental protection" (Barnard, 1991). As a result, the energy industry and its associations tried to diminish the Commission's case for energy liberalisation

by stressing that TPA and competition contradicted security, environmental and competitiveness objectives.

4.4.2. The involvement of civil society groups and organic intellectuals

One of the obstacles to the Commission's pro-liberalisation war of position was the lack of support from civil society groups. Civil society helped to undermine pro-liberalisation discourse by linking energy market competition with negative social impacts. For example, the European Public Services Committee (EPSC), which represented 120 trade unions with over 8 million workers in Europe, warned that deregulation of energy markets could undermine the policies of public service, energy security, democracy, environment and social stability. According to the EPSC “liberalisation of production, transport and distribution activities risks upsetting security of supply and the utilities’ public service mission. It would also destroy the pluralistic energy structures of member states in favour of big transnational companies that would 'escape democratic control', jeopardise environmental protection and threaten jobs” (FT, 1995a). Moreover, in trying to disarticulate the pro-liberalisation opposition, civil society groups focused on the sensitive issue of job security. For example, Branko Rakidzija, the president of EPSC, underlined the negative social consequences of deregulation, referring to the UK’s experience: “thousands of workers have lost their jobs in the UK due to liberalisation and another 25,000 in Germany because of rationalisation in the sector”. The President of EPSC warned “We know the situation in other countries is similar and that predictions foresee the loss of tens of thousands of jobs over the next years” (FT, 1995b). Furthermore, at the national level, trade unions organised demonstrations against liberalisation, and argued that the environment and job security in the sector would be at risk if energy markets were deregulated, while lower prices would not materialise for consumers and small-to-medium-sized companies. Civil society groups were therefore active, both nationally and at the Eu-

ropean level, in attempting to decouple pro-liberal discourse from economic, social and security demands.

Certain organic intellectuals supported anti-liberalisation by facilitating the disarticulation of market-oriented energy policy. In the case of the anti-liberalisation bloc, the organic intellectuals comprised of research centres and think tanks. Although their views were not monolithic, these organic intellectuals sought to negate the benefits of energy liberalisation and to warn of potential threats. The Dutch Centre for Research on Multinational Corporations report stated that the EU liberalisation measures, as proposed by the European Commission, ran against public sector interests: "The Commission policies threatened 250,000 jobs" (Europe Information Service, 1994). Moreover, the Economic and Social Council (CES), a French government linked think tank which advised lawmaking bodies on questions of social and economic policies, expressed fierce opposition to the Commission's TPA proposal and overall deregulation of the energy sector. According to Iain Tournebise, a representative of CES, the "EC Commission may well use Article 90.3 of the Treaty of Rome to force passage of demonopolisation and TPA directives without consulting member states. The menace of this is clear in the most recent EC Council meetings. Although the commission's stated intent is to correct an insufficiency in intra-European energy exchanges, in reality the internal gas and electricity markets have never ceased growing over recent decades" (FT, 1992d). Organic intellectuals thus helped to diminish the ideological case of the pro-liberalisation camp by stressing unemployment concerns.

5. Changes in positions and strategies 1993-1996

5.1. Structural constraints and changes in national positions

It could be argued that during the mid-1990s, support for the pro-liberalisation bloc was strengthened. In contrast with previous periods, by 1993 one could see

gradual changes in the positions of certain national governments. For example, the attitudes of the Italian, Dutch and Irish governments shifted from a radical anti-liberalisation position towards the acceptance the idea of market deregulation and TPA (Matlary, 1997:98). Moreover, one of the clearest signs of the changing institutional balance of power, and some success in the struggle for an IEM, was seen with growing support for liberalisation in Germany. Some high-level German political leaders began to support TPA proposals, arguing that more competition needed to be introduced in the electricity and gas sectors. The economy minister described the Commission's proposals as helping to achieve "the aim of a better and more reasonably priced gas and electricity supply for companies and consumers through as much competition as possible" (FT, 1992e). Due to certain shifts in the positions of some member states, the institutional dimension of the anti-liberalisation bloc was weakened.

In order to explain gradual changes in the attitudes of certain national governments, one must take into account the structural constraints of capital accumulation. It could be argued that, until the 1990s, the majority of European countries were against liberalisation due to the economic importance and capital-intensive nature of the energy industry. Nevertheless, debates surrounding a single European market reached their peak in the 1990s and underlined one of the main problems for Europe's industrial competitiveness: high energy prices in comparison to its main competitors. Table 1 shows the electricity prices for domestic and industrial consumers in Europe. As we can see, Italy, the Netherlands, Ireland and Germany, who at the outset were the harshest critics of energy deregulation, had some of the highest electricity prices for industrial consumers. Moreover, these countries were especially vulnerable to high energy costs because of their economic structure.

Table 1. The ratio of electricity prices for domestic and industrial consumers

Ratio of electricity prices to the unweighted average price (EUR 12 = 1) for the 12 capital cities of the Member States¹ for typical domestic and industrial consumers (January 1985) (including taxes, except VAT where deductible)

Consumer sector	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
Domestic ²	1,13	1,02	1,05	0,87	0,79	1,03	0,88	1,64	0,81	1,08	0,89	0,81
Industrial ²	0,94	1,12	0,97	1,16	0,89	0,77	1,13	1,24	0,84	1,10	0,98	0,86

¹ Prices were collected in Düsseldorf, Milan and Rotterdam for Germany, Italy and the Netherlands respectively.

² Domestic consumer with annual consumption of 3 500 kWh of which 1 300 kWh at night. Industrial consumer with annual consumption of 10 GWh, maximum demand of 2 500 kW and a load factor of 4 000 hours.

Source: Eurostat.

Source: Eurostat

The economic growth in these countries in the post-War period was to a large extent dependent on their export-led manufacture industries which employed thousands of people and constituted a large share of their national outputs (Rhodes, 2015). In other words, the success of their accumulation regimes depended on how competitive their manufacturing export industries were, and energy prices played an important role in the competitiveness of these industries. Some have argued that “..energy prices play an important role in overall industrial competitiveness...” (EC, 1995b). Figure 5 presents variations in electricity prices among the world’s main economic powers. In 1992 Germany and Italy were among the least competitive in terms of energy prices. Among the economic powers, only Japan had higher prices. As was argued in the 1993 Commission’s White paper on Growth, Competitiveness and Employment, “our competitive position in relation to the USA and Japan has worsened” (European Communities, 1993). One could argue that these governments began to change their positions because of the structural power of their export-led industries. In other words, these countries feared that, in an increasingly globalized world, high energy prices would force major businesses to allocate their production to other countries, thus further undermining economic growth, competitiveness, and employment. For example, Hedenhaussen (2007:5) pointed out that “...the realization of the European Common Market...made differences between electric energy prices in the

Member States an increasingly important factor for the competitiveness of their national companies. In fear of the relocation of production to low-price-countries most of the Member States shared an interest in the reform of the electricity regime”. The changing positions of member states in the early 1990s can therefore be explained by taking into account the structural constraints of certain businesses.

Figure 5. Variations in electricity prices



Source: Silverman, L (1994)

5.2. Shifts in energy industry position

Another important reason for changes in the positions of national governments was shifts in the attitudes of certain energy industries that had previously refused to accept energy liberalisation. For instance, in the early 1990s, Eurelectric switched its position from opposition to TPA towards support for the introduction of more competition in the energy domain. Matlary (1997:98) pointed out “The most significant change of position was recorded when Eurelectric went from opposing third party access to accepting it...”. Similar changes occurred in other national domains. For example, in the Netherlands, the Dutch electricity industry changed its position to for the Commission’s attempt to deregulate the EU energy market. As energy experts made clear “Until now, the Dutch producers...have been opposed to introducing more competition. But in their joint response to the report, the need for third party access (TPA) is endorsed by the SEP, the main producers and the distribu-

tors, represented by Energie Ned” (FT, 1994c). In Germany there were some reports that one of the largest utilities in the country, RWE-Energie, had begun to unbundle their accounts and become more willing to apply a market approach (FT, 1992e). The chairman of the RWE explained “we are prepared to accept more competition“ (FT, 1992e). Furthermore, at the beginning of the 1990s Ireland’s energy sector began to show its acceptance of the idea of energy liberalisation. The Irish Electricity Supply Board (ESB) organised its own restructuring, and participated in feasibility studies regarding the opening up of the energy market to competition. As was pointed out in one study, “Adopting the dictum that actions speak louder than words, ESB has responded to the Commission's moves towards an internal energy market by comprehensively restructuring its business” (FT, 1993). As a result, in the mid-1990s, changes occurred in the positions of several European energy utilities.

In order to explain gradual shifts in the position of the energy industry, one must take into account not only the actions of the pro-liberalisation bloc, but also underlying changes in the strategies of the energy businesses. In the 1990s some energy corporations saw new profit opportunities. Heddenhausen (2007:5) explains that “Many electricity supply companies from Member States had started to enter the reformed electricity markets of Eastern Europe, which made it difficult for them to oppose liberalisation of their home markets...”. Given the Commission’s attempts to push for energy liberalisation, the monopolistic energy corporations took an opportunity to adapt to this transition and thus to potentially derive the most benefits from it. These utilities began to reconsider their business models in order to compensate for the potential loss of stagnant domestic markets. In other words, a strategy of *internationalisation* began as a response to European market liberalisation. After the collapse of the Soviet Union, energy utilities saw an opportunity to invest in cheap energy entities and thus gain a large share of new Eastern and Central European markets. Ac-

According to Groot (2013:15) “This has provided firms in the EU power sector with a stimulus to develop international portfolios, leading to a phase of cross-border mergers and acquisitions in Europe”. For example, major European energy utilities such as EOn, RWE and Enel began to look for assets in Central and Eastern Europe and to benefit from privatisation opportunities and investment needs in those markets (Heuvel et al., 2010:23). One European energy expert pointed out “The big thing was an opportunity to invest in other countries. Energy companies understood that the breakdown of domestic monopoly and the acceptance of market deregulation allowed them to expand internationally. This was really a crucial thing which contributed to transformation of national attitudes on energy liberalisation” (Interview 8). Energy corporations thus began to change their positions due to new opportunities for expansion and greater profit.

5.3. Support on ideational domain

In addition to structural changes in the strategies of certain state and non-state actors, there were also changes in the ideological domain. One could argue that, since 1993, the ideological power of the pro-liberalisation coalition has been strengthened. On the contrary from the previous period, in 1993 one could see the rise of the neo-Gramscian “organic intellectuals” which helped to consolidate the power of the neoliberal bloc at the European level. One of the World’s most influential management and consultancy corporations, McKinsey, contributed to the transformation of the attitudes of certain state and non-state actors by actively promoting arguments for energy market deregulation and ideologically supporting the pro-liberalisation bloc. For example, in 1993 in its journal *McKinsey Quarterly*, the company’s experts published several studies which criticised the model of vertical integration: “Do not vertically integrate unless absolutely necessary. This strategy is too expensive, risky, and difficult to reverse. Sometimes vertical integration is necessary, but more often than

not, companies err on the side of excessive integration” (Stuckey and White, 1993). McKinsey attempted to reconcile competition goals with those of security and continuity of supply, and environmental protection (FT, 1994c). The consultancy group stressed the importance of open access to the network in providing substantial cost-savings for energy consumers. (FT, 1994c).

McKinsey took the role of organic intellectual in persuading certain industrial groups, associations and governments to accept the deregulation of the energy (electricity) market. McKinsey contributed to changes in the positions of Dutch and Irish energy groups regarding electricity market liberalization by providing consultations in this respect. In 1994 the Dutch electricity sector hired McKinsey to investigate how it could properly protect its interests given the Commission’s discussions regarding market deregulation and TPA (Matlary, 1997:98). Moreover, in Ireland, McKinsey was commissioned by the state-owned ESB to provide a report to evaluate the possibilities for energy market liberalisation (FT, 1993). The report called for the restructuring of ESB, from a vertically integrated company to a horizontal alignment of business units under a corporate core. Furthermore, in the early 1990s some energy companies such as Vattenfall, with the help of McKinsey, conducted intensive analyses which examined how they could adapt to a deregulated electricity market. As result, McKinsey contributed to changing corporate positions on energy market liberalisation. Nevertheless, McKinsey was not able to muster a strong pro-liberalisation historical bloc which could counter existing monopolistic structures in the energy domain.

6. New strategies against energy market liberalisation

6.1. French proposal and the strategies of transformismo and heresthetics

Given shifts in the attitudes of certain state and non-state actors in the mid-1990s, the anti-liberalisation bloc tried to assimilate the potentially dangerous idea of

competition. As was previously argued, some vertically integrated utilities and national governments began to accept the fact that growing competition and liberalisation was inevitable. It could be argued that changing attitudes towards market deregulation were a turning point that allowed some players in the anti-liberalisation bloc led by the French government to change from a total resistance to energy liberalisation towards a strategy of *transformismo* and a gradual acceptance of the idea. According to the neo-Gramscian account, dominant players often attempt to protect their position in the process of passive revolution by via a strategy of *transformismo*. This strategy can serve as strategy of assimilating and domesticating potentially dangerous ideas (Cox, 1983). The French government, together with EDF and other utilities, came up with the idea of accepting the general line of energy liberalisation, but seeking to make it consistent with their monopolistic position. In other words, the actions of the anti-liberalisation bloc were directed towards the assimilation of the liberalisation idea. An alternative vision of deregulation thus linked market competition demands with public service obligations. The idea was to put forward a narrative that a monopolistic structure of energy governance would be more secure and effective in ensuring the classical post-war goal of egalitarian nation building, which defined the provision of infrastructure as a national or at least public task. In other words, while accepting the principle of competition for electricity generation, the French argued that technical networks for transportation and distribution, the main elements to a secure and reliable public service provision, should be controlled via a monopoly structure (Jabko, 2006). In the neo-Gramscian tradition, the anti-liberalisation bloc therefore tried to assimilate the idea of liberalization by linking market competition to public service demands.

The anti-liberalisation group used heresthetical manoeuvres at the institutional level in order to create certain choice situations and thus manipulate outcomes. Dur-

ing the protracted and complicated negotiations regarding energy market liberalization, France was not able to pursue a strategy of systemic opposition to energy market reform. France thus acted strategically in order to recapture the political initiative and increase support in the Council. According to Eising and Jabko (1999:19) "...those French officials who were close to the negotiation realized that the French position must evolve, otherwise there was a risk of being outvoted in the Council". Instead of TPA, the French government proposed a *single buyer* concept as an alternative model of deregulation that aimed to preserve monopoly-governing structures, while at the same time allowing some level of competition. The single buyer model envisaged that a single entity would operate the network, and buy and sell all the electricity, generated under competitive conditions (Midttun, 1997). In other words, this single buyer entity would manage energy deals with producers and consumers negotiating between themselves import arrangements only. The single buyer had the convenient consequence that it would preserve its de facto monopoly, whilst apparently conceding de jure competition (Helm, 1993). Some recognised France's strategic manoeuvring regarding the creation of an IEM and argued that the single buyer option would offer less access to the market than a negotiated TPA model. As Eising and Jabko (1999:19) state, "...the Single Buyer proposal was a tactical move in a strategy designed to maintain a maximum degree of freedom...".

With the launch of the single buyer proposal, France was able to split member states in the Council. The single buyer model helped the French government to co-opt support for the anti-liberalisation bloc at an institutional level. For example, Greece, Ireland, Italy and Belgium expressed their interest in a single buyer model as a way forward for EU energy market liberalisation. Some analysts pointed out "Aside from France, Greece would be interested in the single buyer idea. Greece has long had a problem with the idea of TPA, negotiated or mandatory, arguing that its geographical

situation on the edge of the Union, coupled with low natural resources, obliges it to concentrate on security of supply, rather than increased competition. Ireland also believes that the single buyer would fit more closely with the proposed restructuring of its electricity industry, than would the Commission's ideas. And on first reading, the broad outlines of the future structure of the Italian electricity sector, after ENEL's sell-off, also sound conveniently close to the French initiative” (FT, 1994d). In the Council, France was thus able to get tacit support for its single buyer proposal. As some commentators underlined “Most people see aspects (of the single buyer) which appeal to them nationally” (FT, 1994d). Moreover, with its single buyer proposal France was able to refocus the debate in the Council from radical opposition to TPA towards the harmonization of single buyer and negotiated TPA. In other words, France was able to reframe the debates on energy market liberalization. Alain Juppe, the French Prime Minister at that time, pointed out that the single buyer proposal was a win-win option as it ensured liberalization on the one hand, as well as equality, security of supply and quality of service, the three main principles of public service, on the other (Les Echos, 1995). In addition to the competition dimension, which was underlined by the Commission and pro-liberalisation bloc, France together with other players, was able to add a public service dimension to the Council debates on energy market liberalisation. According to Bond (1996) “For France, the most important paragraphs...are those that put the principle of public service on a par with competition”. France’s industrial minister Yves Galland argued that “The two objectives are not incompatible” (Schwartzbrod, 1995). The minister also stressed that public service was the big winner: “It preserves the core missions of the continuity of supply, equal treatment, the quality of service. I say to the Council that France does not intend to jeopardise this great success” (Schwartzbrod, 1995). In the context of gradually growing support for the creation of an IEM, the anti-liberalisation bloc began to reconsider

its position regarding internal energy markets, and began to seek to manipulate certain outcomes. For instance, using the single buyer option, the French government wanted to allow more exports of its electricity, which suffered from nuclear overcapacity and low-domestic prices, and to increase its profits while keeping access to its market controlled under the pretext of public service obligations (Matlary, 1997). As a result, the French single buyer proposal helped to refocus the debates surrounding energy market deregulation.

6.2. Divisions within the Commission and incremental steps towards liberalisation

The French single buyer proposal constructed different choice situations and eventually led to disagreements within the Commission between energy and competition commissioners. The EU competition directorate denounced the single buyer proposal, stressing that the energy sector should not be given an exemption from the EU competition law. Moreover, the competition commissioner described the single buyer proposal as too weak and inefficient as the power companies would still be able to preserve their import/export monopolies. As Midttun (1997:268) pointed out "...the Commission condemned the French single-buyer model as a further weakening of its proposal, calling it 'an import monopoly by other name'". On the other hand, the EU energy commissioner criticised the competition commissioner, stressing that he was in charge of energy policy, not the DGIV (competition directorate), and that if TPA and single buyer models were compatible then he would accept it. According to Matlary (1997:57) "Obviously there are strong disagreements about how to create an IEM, not only between the Commission, member governments and interests groups, but also between directorates". By constructing the choice situations in a heresthetical way, the French proposal divided the EU Commission as the position expressed by the competition commissioner went against the strategy of DGXVII (Energy); i.e. to

integrate TPA and the single buyer competition models. As a result, the French alternative liberalization proposal caused divisions between different commissioners on how the process of energy liberalization should be conducted.

Although the process of forming a coherent liberalisation policy moved forward, after five years of negotiations and the Commission's attempts to bridge national gaps, the results were, however, modest. After eight years of negotiations, 16 presidencies, and many rounds of talks, electricity and later gas directives were eventually adopted. These directives were substantially weakened in comparison to the Commission's initial proposals in the early 1990s. According to Helm (2003:376) "The Commission stuck to its ambition to liberalise energy...". Monopolistic energy utilities, together with state and non-state allies, used their material, institutional and discursive power to slow down progress towards an IEM. Helm (2003:377) points out that "By the mid-1990s...the best that could be achieved was a small incremental step". This logic of incrementalism was evident with the adoption of two directives: the electricity market directive in 1996, and the gas market directive in 1998. For instance, the 1996 electricity directive was watered down to include single buyer and regulated TPA models as alternatives to mandatory TPA. Eberlein (2012:156) argues that "While key milestones in the development of an integrated energy market, the first pieces of legislation prescribed...only incremental and moderate market opening by setting minimum thresholds". It could be argued that one of the reasons for the weakness of the energy directives was their very slow timetable and generality. As a compromise, the directives demanded a minimum share of power consumption to be open for free contracting, amounting to 25% in 1997, 28% in 2000 (consumers exceeding 20 GWh) and 32% in 2003 (consumer threshold 9 GWh) (Eikeland, 2012). The 1998 Gas Directive left it open for member states to decide on the pace of reforms. According to Eikeland (2012:19) "The directives offered only a general

framework for energy market liberalisation, failing to harmonise national procedures. Member states could opt for either a system of regulated third-party access or the less transparent negotiated-access model. They could choose a single-buyer system (a compromise option brought in by France) in which one single firm would still control imports of energy into its area, advocated to ensure that governments still had the powers to induce public service obligations (PSOs)". The 1996 Electricity Directive and 1998 Gas Directive therefore provided the first coherent steps in market liberalisation for a limited number of industrial customers, but at the same moment failed to secure the transparency of market information and non-discriminatory access to infrastructure.

Conclusion

The historical institutionalist approach employed in this chapter sheds light on the distinctive role of the EU Commission in leading the development of long-term energy liberalization policy. Moreover, the neo-Gramscian theoretical framework helps to highlight the dynamics of contestation between pro-liberalisation and anti-liberalisation blocs. Due to its state-centrality, the liberal intergovernmentalist perspective would only focus on the national context without explaining the important role of Commission and other players in promoting pro-liberalisation policies in Europe. Although supranationalists would take into account the importance of Commission in their analysis, they would nevertheless not be able explain that the logic for energy liberalisation stems from the Commission's long-term pro-growth policy orientation rather than from a functional spillover effect. Moreover, in my approach I argue that the Commission's long-term policy orientation is a "path-dependent" feature historically embedded in the Commission's logic. This forward-looking development orientation helps to explain the Commission's pro-liberalisation stance in the EU energy domain. The Commission viewed the creation of a common energy mar-

ket in Europe as a long-term policy to increase the EU's efficiency and reduce energy costs, thereby making the European economy more competitive and resilient in the future.

The use of the neo-Gramscian analytical concepts provides a richer and more systematic understanding of the dynamic processes of political contestation surrounding energy liberalization at the EU level. It reveals the use of variety of different strategies and actions by different groups, in the material, institutional and discursive domains. Compared with conventional frameworks which are often engaged in somewhat stagnant debates over structure versus agency, my theoretical account seeks to resolve this dualism. While I take into account the importance of macro-political and economic structural constraints in explaining the resistance of national government to energy market liberalization, the neo-Gramscian concept of war of position explains the implementation of material, institutional and discursive strategies to shape these policies. I argue that on material dimension, at the end of the 1980s, the Commission embarked on its first actions to identify and finance energy projects on the basis of their value for the creation of a common energy market. Moreover, the Commission started its energy market institutionalisation by providing rules and regulations to create a consensus for energy market liberalisation. Discursively, the Commission and other players attempted to provide a coherent case that portrayed the creation of an IEM as an essential step for tackling long-term challenges. The neo-Gramscian account therefore allows us to provide a more detailed and dynamic explanation of contestations surrounding energy deregulation as it brings together the material, institutional and discursive strategies deployed by those groups which sought to have their particular interests accepted as common European interests.

The neo-Gramscian perspective helps to account for phenomena that would otherwise be difficult to perceive. The neo-Gramscian concept of *transformismo* and Riker's logic of heresthetics help to explain what happens when the dominance of the anti-liberalisation group was challenged. In the case of energy market liberalisation, in the 1990s the anti-liberalisation bloc began to lose its hegemonic dominance. In response, the bloc sought to bring about the widest possible coalition of interests and to absorb counter-hegemonic ideas. This strategy is conducted at the discursive level by trying to expand, incorporate and rearticulate the arguments of the status quo. The concept of *transformismo* can be operationalised by post-structuralist logics and, moreover, the concept of heresthetics helps to explain attempts by the anti-liberalisation bloc to counter the Commission's TPA model through the promotion of the *single buyer* proposal. The analytical concepts of *transformismo* and heresthetics thus reveal the strategic nature of the discursive and institutional actions taken by the anti-liberalisation bloc in order to accommodate certain demands and preserve its monopoly status.

Progress surrounding EU energy market liberalization policy was rather modest. Due to a lack of support from civil society groups and organic intellectuals, the Commission and other players were not able to create a strong and unanimous pro-liberalisation bloc. The Commission was not able to unite players in support of its liberalization policy. The adopted electricity and gas directives were thus too flexible and too slow in their implementation time-frame. On the contrary from the Commission's initial energy market liberalisation objectives, the agreed directives failed to eradicate monopolistic tendencies, nor to harmonise national standards for energy market competition. As a result, there was only little progress made in the direction of coherent competitive internal energy market policy and the Commission was not able to fully eradicate monopolistic nature of European energy sector. Moreover, growing

external and internal challenges contributed to a situation where, at the end of the 1990s, the liberalization dimension began to lose prominence. There was consequently a shift towards a new energy paradigm, away from marketization towards energy security under growing climate change constraints. In the following chapter, I will assess these emerging challenges and analyse how the Commission and other state and non-state actors tried to lead a war of position in favour of nuclear power in response to growing energy security and environment concerns.

Chapter 3

The attempts to address security and climate challenges through nuclear option constraints

Introduction

As was argued in the previous chapter, throughout the 1980s and 1990s the competitiveness dimension was top of European energy policy agenda. The Commission proposed energy liberalisation initiatives in order to open up national energy markets, to create a proper regulatory environment for the functioning of an IEM, and to deal with energy monopolies or vertically integrated energy companies which controlled all sections of the value chain: production, distribution and supply. It was considered at this time to be a necessary action to ensure long-term growth and the competitiveness of European economy. According to Helm (2007:42) “To date, European energy policy has been almost entirely focused on liberalisation and competition. The aim of the 1992 Single Market Programme was to complete the internal energy market...”. Nevertheless, due to changing economic, energy supply and environmental circumstances, the liberalisation dimension began to lose prominence at the end of the 1990s. A new century brought a shift towards changes in the energy paradigm away from the markets towards energy security and climate change constraints. As Helm (2007:47) pointed out “For the last two decades of the twentieth century, these failures were largely masked by excess supply and low fossil fuel prices...this context has gradually changed. Europe now faces serious security of supply problems and, at the same time, the climate change challenge has become urgent”. At the end of the 1990s and the beginning of the 2000s, one could see attempts to address energy security and climate change challenges through a nuclear response. As Helm claims “To date, each challenge has been addressed separately” (2007:37). Given growing external challenges, the Commission saw the emerging contradictions between the existing

regime of energy supply and the long-term economic development of Europe. As a result, the Commission acted as a strategic entrepreneur and led the transition towards a new energy order which would ensure long-term European interests. Nuclear was considered as a potential way of addressing emerging long-term contradictions. This chapter thus focuses on the nuclear side of the response to addressing growing security and climate contradictions. Although there were certain developments in renewable domain and the EU ETS at the end of the 1990s, the main contestation with respect to European energy policy was still with regards to nuclear power and its role in the EU energy order. In the following chapter I will analyse how, in the mid-2000s, European energy policy discussion shifted even more towards climate concerns, with the main emphasis on a low carbon policy response. However, in this chapter I will explain an attempt by at least part of the Commission and other players to use the nuclear option as the first bridge in creating an historical bloc and leading the transition towards a long-term energy policy which would accommodate both energy security and climate dimensions.

This chapter analyses the transition towards a new energy policy since the end of the 1990s. In the first part I will assess why EU energy policy discussion shifted towards security of supply and climate objectives. Moreover, I will explain the role and the interests of the EU Commission in leading the creation of an integrated energy policy. In addition, the material, institutional and discursive strategies used by different actors in the energy policy debate will be evaluated. In the last part, I will assess the challenges which limited pro-nuclear progress with regards to energy policy integration.

1. The external factors and new energy paradigm

Before turning to an analysis of the Commission's leadership in promoting a new energy paradigm, the importance of external conditions and circumstances can-

not be neglected. It could be argued that changes in the EU energy policy were affected by the new energy and environmental circumstances of the 1990s. These were not causal factors that automatically changed the EU energy policy landscape, yet they played an important role in making certain elements more visible and urgent. It could be argued that shifts towards an integrated energy policy were influenced by two simultaneous phenomena, the Kyoto process and the “oil shock” (fuel crisis) which occurred in the 1990s. I will analyse and explain the importance of each of these factors in more detail.

1.1. The effects of Kyoto Protocol

One of the factors that contributed to changes in energy policy was growing European solidarity with regards to a new energy-climate policy approach. This solidarity stemmed from the Kyoto negotiations and the Commission’s willingness to lead the transition towards a sustainable low carbon future. Although the Kyoto protocol was ratified in 1998, it first began to influence the Commission’s energy policy agenda during the first half of the 1990s. During the Kyoto negotiations, the Commission was very active in trying to persuade other countries on board, as it feared that otherwise the whole process would collapse. For example, Keppler (2009:218) claims “It is fair to say that Europe has been the principal global champion of the Kyoto Protocol, the set of greenhouse gas emissions reduction objectives solemnly pledged at the third conference of the parties held in Kyoto in 1997. Without European leadership and political pressure the Kyoto Protocol would not have been able to assemble the necessary qualified majority to come into force”. Growing climate change concerns have been one aspect of EU efforts to tackle problems of long-term sustainability. McGowan (2009:32) states that the Commission “...has set an example for the international community by developing its own mechanisms for tackling climate change, which could provide the basis for a global model”. With the signing

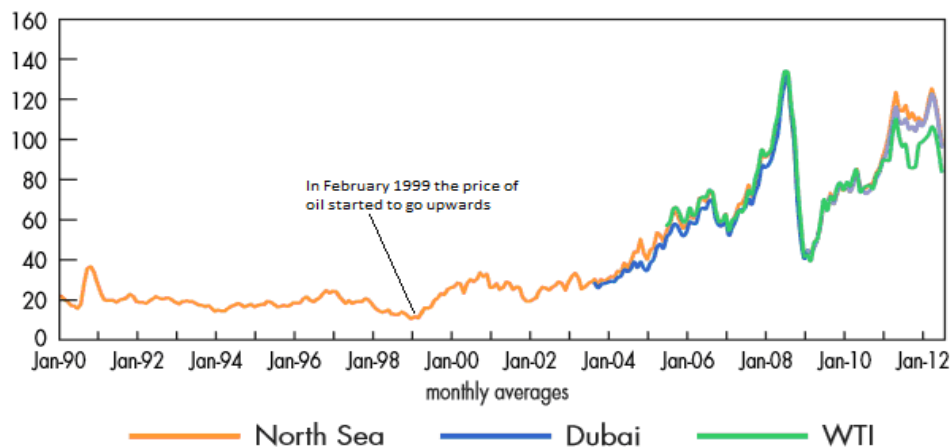
of the Kyoto Protocol and growing evidence of detrimental effects of climate change, the environmental (sustainability) dimension of EU energy policy became more prominent. Loyola de Palacio, the vice-President of the European Commission and the Commissioner of Energy and Transport, pointed out that Europe needs “An energy policy which addresses the world’s environmental challenges and also cares about future generations obviously contributes to sustainable development. As an example, we can consider the commitments made by the EU in Kyoto in 1997” (Palacio, 2000). The Kyoto Protocol was thus not an exogenous shock to which the Commission reacted opportunistically, but a chance to make climate change an inseparable part of the EU energy agenda. In other words, the Kyoto process and the Commission’s leadership in it had an impact on changes in the EU energy policy, and the Kyoto constraints became inextricable part of EU energy policy.

1.2. The oil crises and the shift towards energy security

At the turn of the new century oil prices began a fundamental shift upwards despite opposite expectations. Prices first doubled from around \$10 per barrel, and then gradually began to increase further. As we can see from Figure 6, throughout the 1990s oil prices were stable or even decreasing. However, since 1999 prices have increased substantially. For example, in February 1999, the oil price reached a 25 year low with \$11 per barrel. However, in the period up to September 2000, the oil price climbed to a peak of close to \$35 per barrel. After being stable for some period, oil prices increased again in late October and November to an average of about \$32 per barrel (IMF, 2000). In today’s context, the rise in the oil price may not seem significant. However, compared to the trends of the 1990s, the difference is obvious. Only 10 years ago, in response to the Iraqi invasion in Kuwait in 1990, the oil price reached these levels. As the International Monetary Fund (IMF) report indicated “In October and November, 2000 the world oil price averaged over three times higher

than its February 1999 low, and, excluding the Gulf war period, reached a 15 year high in both real and nominal terms” (IMF, 2000). In addition, Helm (2007:36) claims that “very cheap oil - and gas - came to the end...but so, too, did the excess supply conditions across the energy sector (including in oil refineries and oil and petrol delivery systems)”.

Figure 6. Key crude oil spot prices in US dollars/barrel



Source: IEA. *Key World Energy Statistics*, 2012

The reasons for these increases in the oil price are related to a demand/supply miscalculation: as the demand of oil started to recover after the 1998 Asian crisis, Opec slashed oil production levels. According to some analysts “What happened is the convergence of three economic influences. After twice failing to cut output...Opec tried again. It has been helped by a coincidental fall in world oil stocks. This is partly a result of the emergence from recession of the economies in Europe and East Asia. In short, demand was growing just as the Opec producers were aiming to reduce output” (Smith, 1999). Consequently, at the end of the 1990s, there was an oil price shock due to these demand-supply miscalculations.

Growing oil/fuel prices caused massive protests throughout Europe, causing significant disruptions in some countries. Hauliers and farmers in Spain, Ireland, Poland, Germany and Greece blocked main roads and refineries. Protests in the UK led to shortages, panic buying, traffic chaos, and the disruption to the work of the emer-

gency services. Due to the seriousness of the situation, the UK government held a series of emergency meetings discussing how to get fuel out of the refineries (Morgan, 2000). Some reports suggested that the financial costs of the week-long protests were significant. According to the “Impact of September 2000 Fuel Price Protests on UK Critical Infrastructure“ report: “The impact of the protest was much deeper than anticipated because it struck at a particularly vulnerable point of the UK economy. The disruption in the energy sector created a chain reaction among other sectors such as transportation, health care, food distribution, financial and government services due to their interconnectivity and interdependencies. The financial impact of the week-long fuel drought was estimated at close to £1 billion“ (PSEPC, 2005). However, it could be argued that the worst situation was in Belgium where hauliers' protests spread across the country, bringing commuter traffic to a standstill and forcing some businesses and schools to close. Moreover, lorries, taxi and bus drivers joined the protests as they parked across city boulevards, motorways and border crossings with Germany, France and the Netherlands (CNN, 2000). Furthermore, the halt of supplies from oil depots and refineries led to a situation when petrol stations were running low on fuel. As a result, these protests paralysed many countries in Europe. Reacting to the situation, the Belgian Prime Minister at the time, Guy Verhofstadt, made a televised address where he stated “The people's patience is at its end. Our economy, the prosperity of our people, is in danger” (Collett-White, 2000). These rises in the oil prices and the subsequent protests thus had a clear impact on energy policy development.

1.3. The Commission’s long-term response

Due to its path dependent forward-looking pro-growth orientation, the Commission viewed the rapid increase in oil prices and subsequent fuel protests not only as the threats to physical security of supply, but first and foremost as long-term risks

which would curtail economic growth and the competitiveness of the European economy. However, the Commission's long-term view is often contested by certain state and non-state players which try to protect their particular (often short-term) interests at the expense of long-term European interests. In order to promote its broader view and to create a hegemonic energy policy, the Commission attempts to use certain strategic actions in the institutional, material and discursive domains. I will analyse and explain these strategies in the subsequent parts of this chapter.

In accordance with a historical institutional account informed by a neo-Gramscian perspective, it is postulated here that, in the early 2000s, the Commission viewed previously mentioned developments as potential long-term threats which could lead to crisis. Cox distinguishes crisis from cyclical downturn: “..the economy must undergo some structural change in order to emerge from a crisis. Crisis...signifies a fundamental disequilibrium...” (Cox, 1987:273). In the context of a growing disarticulation between energy policy and sustainable long-term models of economic growth, the EU Commission stated “A successful economy depends on a secure energy supply. The price of oil has long been a determinant of economic performance, with high oil prices associated with high inflation and high interest rates leading to higher unemployment” (EC, 2000c: 3). Following the increase in oil prices, and at a the time of growing climate pressures, in 2000 the Commission adopted the Green Paper on the Security of Energy Supply in which it emphasised the crucial role of energy for Europe's economic prosperity, and the need to preserve a sustainable and viable growth model in a volatile environment. In the Green Paper the Commission contested the European energy policy status quo: “The dramatic rise in oil prices which could undermine the recovery of European economy, caused by the fact that the price of crude oil has tripled since March 1999...reveals the European Union's structural (long-term) weaknesses regarding energy supply...Without an active ener-

gy policy, the European Union will not be able to free itself from its increasing energy dependence” (EC, 2000a: 2, 3). In addition, the Green Paper acknowledged the importance of long-term energy policy planning to the creation of a functioning of European economy: “The European Union must take better charge of its energy destiny. We are obliged to acknowledge that, despite various crises besetting the European economy in the last 30 years, there has not been a real debate on the choice of energy sources and even less on energy policy regarding security of supply. The oil price increase prevailing since 1999 makes it (debate) urgent” (EC, 2000a: 3). Furthermore, at the same time growing environmental challenges were also considered as detrimental to long-term economic and social developments. The Green Paper underlined the negative consequences of climate change for sustainable development: “...if nothing is done...this would raise sea levels by between 15 and 95 cm. Coastal areas, but also entire islands and archipelagos, could be wiped off the map as the ice melts and oceans swell. The consequences could be catastrophic since they combine with other aggravating factors linked to *economic activities* as a whole and land use. Droughts and floods are expected to be more severe...shaking the foundations of agriculture” (EC, 2000a:48). Margot Wallstrom (2003), the commissioner responsible for the environment, established a clear linkage between climate change and long-term challenges to economic growth: “Mankind simply cannot afford to take these risks. And let us always remember that climate change is far more than an environmental issue – it is a challenge to future *economic sustainability* as well”. Given these new challenges, the Commission saw that one way of achieving energy security was by reducing overall demand, and demand for fossil fuels, which would also address issue of climate change. The security and climate dimensions thus began to be viewed as fundamentally connected. In the following part of this chapter, I will analyse the

promotion of the nuclear option in order to address issues of energy security and climate change.

2. Attempts to integrate energy policy

2.1. The promotion of nuclear energy

In its initial response to growing long-term challenges at the end of the 1990s, the Commissioner for energy viewed nuclear as a potential solution to the dual challenges of energy security and climate change. Although there were other developments in an attempt to create an integrative approach, such as the adoption of indicative targets for renewable energy in 1997, at this time the focus of energy policy contestation in Europe remained on the future of nuclear development. The Energy Directorate, run by the Spanish Commissioner Loyola de Palacio, was in charge of the nuclear option. The European dimension to nuclear energy first arose in 1957 with the signing of the Euratom Treaty, with the objective of coordinating Member States' research programmes for the peaceful use of nuclear energy. However, because of the far-reaching consequences of nuclear to national security, all key nuclear power decisions regarding safety and radioactive waste questions have always been addressed at the national level. Since the 1986 Chernobyl incident, European public opinion has been increasingly anti-nuclear and nuclear was not often discussed at the European level during the 1990s. According to Buchan (2009:175) "...the 1986 Chernobyl accident, that had cowed the Commission into silence on nuclear matters through most of the 1990s". In spite of its importance, this incident was not the only issue which kept European institutions and member states silent on nuclear. The conditions of energy supply at this time were largely favourable to the fossil fuel industry, and this made nuclear energy uneconomic. There was therefore very little investment in nuclear during this period. The excess supply of oil and especially gas coming from former Soviet countries, and the stability of oil and gas prices throughout of the

1990s, did not lead to any urgent energy security challenges. There was a similar mood surrounding environmental issues as increasing supplies of post-Soviet gas, which in terms of CO₂ emissions is considerably less polluting than coal, created favourable conditions to justify the existing energy status quo.

Nevertheless, at the end of the 1990s the situation began to change. Concerns regarding climate change and air pollution, as well as a growing dependence on energy imports, led some in the Commission, with the leadership of the Energy and Transport Commissioner, to consider nuclear power as a necessary element in tackling Europe's long-term development challenges. According to Palacio "In the foreseeable future, we need nuclear power to keep emissions down. There are risks, but they are calculable. There is no other option" (Euractiv, 2007). Moreover, nuclear was seen as a long-term investment with high upfront, but low lifecycle costs, given its high capacity and long plant lifetimes. The Commission thus considered nuclear as an economically wise option in the long run. As Palacio argued "nuclear energy remains a very attractive economic option if it is properly managed" (Palacio, 2004). In other words, in an attempt to create a hegemonic order which would address both energy security and environmental challenges, the Energy Commissioner embarked on a neo-Gramscian war of position, a struggle which brings to light the diversity of material, discursive and organizational (institutional) strategies that can be adopted by a group seeking to have its interests accepted as the common interests. In the following subsections I will explain how state and non-state actors led the development of the pro-nuclear order across the three dimensions of the historical bloc.

2.2. The promotion of nuclear power through the material dimension

The neo-Gramscian account defines the material dimension as one where financial and technological strategies are deployed (Levy and Newell, 2004). It is obvious that, in comparison with member states and even large industrial and energy

corporations, the Commission has limited financial resources. However, despite these limitations the Commission has contributed to the consolidation of the material dimension by cooperating with the nuclear industry in funding research projects, creating investment opportunities and providing financial contributions for nuclear energy developments. For example, the Commission initiated the creation of the Fifth and Sixth Framework Programmes which set out the priorities for EU research, technological development and demonstration (RTDD) activities for the periods 1998-2002 and 2002-2006. Part of this programme was devoted to the Euratom framework which covered research and technological improvements in the nuclear sector. Of the Fifth Framework Programme's budget of 13.7 billion Euro, 1.2 billion Euro were allocated to the Euratom programme (FP5) (Forsstrom, 2000). The same amount was also distributed under the Euratom programme for the period 2002-2006 (FP6). Moreover, the objectives of these programmes encompassed strategic support for nuclear companies and associations in order to allow them to develop new nuclear technologies and address the technological faults and controversies which previously impeded public support for nuclear expansion. According to Hans Forsstrom (2000: 2, 3), the Commission's Head of Unit for nuclear fission and radiation protection, "The strategic goal of the...programme (FP5) is to help exploit the full potential of nuclear energy in a sustainable manner, by making current technologies even safer and more economical and by exploring promising new concepts. Research...focuses on issues that currently hinder the fuller exploitation of nuclear energy (e.g., cost, waste disposal, public attitudes) and aim to demonstrate the availability of practical solutions to the outstanding scientific and technical problems and public concerns)". It could be argued that one of the main objectives of both the FP5 and FP6 programmes was to address nuclear waste management, an issue which has always been the main counter argument in anti-nuclear discourse. The EU Energy Commissioner Palacio pointed

out that “The EU needs to spend at least 30 times more on nuclear waste management research” (EC, 2003). So, despite the Commission’s financial limitations, it tried to strengthen the material domain by strategically guiding investment, creating funding opportunities for new nuclear innovations, and incentivising solutions to certain public concerns such as nuclear waste management and safety.

2.3. The pro-nuclear bloc and discursive formations

On the discursive level, the pro-nuclear bloc attempted to present nuclear as an inevitable part of creating an integrated forward-looking energy policy. DG Energy, the Energy Commission, business groups, and other non-state actors which encompassed pro-nuclear bloc, tried to link the discourse of nuclear energy with other energy, social and economic demands. First, the nuclear option was promoted as an equivalential connector which linked both demands for CO₂ reduction and security of supply. In other words, the discourse was framed in order to depict the nuclear option as an inevitable part of any solution that dealt with the two fundamental energy problems of this time: the dependence on volatile energy imports and rising CO₂ emissions. Discussing the need to keep the nuclear power option open, Taylor (2002) claimed “This is not just because it is one of our most secure energy resources – very diversified sources of supply, a fuel whose high energy density makes it easy to stockpile and extensive fuel cycle facilities within the Community result in an extremely low risk of supply interruption. But also because it is the only major source of electricity that does not produce any significant quantities of greenhouse gases”. In addition, the promotion of the EU Nuclear Package was also linked to security demands, and Taylor mentions that security of supply and climate constraints were one of the main driving factors behind the promotion of the nuclear package (Taylor, 2002). Furthermore, the EU Energy Commissioner, using the post-structuralist logic of equivalence, created a pro-nuclear myth that linked the issues of nuclear to wider

demands regarding quality of life, social wellbeing and economic growth. Loyola de Palacio (2003a) made clear that “The citizens have to realise that when they say no to nuclear at the same time they say no to air conditioning, heating and the other advantages of electrification and therefore *economic growth and employment*. If they say no to nuclear they should add that we accept more CO₂ emissions”. The nuclear myth was used in order to reinforce a public sense of the inevitability of the nuclear option, i.e. if the public wanted to continue enjoying the benefits of modern life, then it should accept nuclear power. In order to strengthen the case for nuclear acceptance, Loyola de Palacio emulated Margaret Thatcher’s in arguing that “*there is no alternative*”, stressing the fundamental importance of nuclear in tackling the challenges of both security and climate (Palacio, 2001). The Energy Commissioner explained “The production of nuclear energy has been increasing. This is the reality and, with the challenge of climate change, the EU cannot avoid nuclear energy for the foreseeable future” (Gow, 2004). At the level of the Commission, pro-nuclear discourse was thus situated within broader discourses of energy dependence, climate change, and social and economic wellbeing. Furthermore, in order to strengthen the case for EU wide regulation and leadership on nuclear power, the Commission described current regulation as “insufficient” and took the opportunity to promote its Nuclear Package legislation. Palacio criticized the nuclear regulation regime by using a metaphorical expression which compared the state of nuclear safety in Europe with safety regulations for bathing beaches. The Energy Commissioner claimed that “...the current state of nuclear safety in Europe was “insufficient” to the point that regulations for swimming beaches were tougher than those for nuclear power stations” (AFP, 2002). As a result, the Commission linked nuclear debates with the issues of energy security, climate change, economic policy, and safety.

At the discursive level, the Commission acted in several stages. At the first stage, these actions were directed towards the creation of a broad pro-nuclear coalition that would address and discursively link growing energy security, climate change, and competitiveness challenges. As a result, in 2001 the Commission created the Michelangelo Network (Micanet) with the main objective of fostering discourses of surrounding the competitiveness and sustainability of nuclear energy in the EU and elaborating a common European position on the future of nuclear energy (EC, 2001b). The Commission stated that the aim of the Michelangelo program was to develop a European nuclear development strategy that corresponded to the actual needs of industries facing tough challenges of competitiveness and sustainability (EC, 1999:28). Moreover, the network worked as a discursive hub through which cooperation and partnerships between different pro-nuclear actors were established. One of the Commission's research papers defined the Michelangelo Network as "the basis for a long-term stable partnership between the main European organisations of nuclear industry, which will probably be the only way to support future large projects in Europe" (EC, 1999:28). The network helped to consolidate the positions and discourses of various actors, including research institutions, universities, and business groups from different European countries. At the end of the 1990s and the beginning of the 2000s, the Micanet project thus served as a tool of facilitating discursive and organisational consensus.

Pro-nuclear business groups were involved in the creation of discursive meanings and promoted the pro-nuclear myth through the slogan "there is no alternative". For example, the largest European business association in Brussels, UNICE (today Business Europe), and the largest nuclear industry association, the European Atomic Forum (Foratom), underlined the importance of nuclear for security and climate solutions. According to UNICE (2001:5) "The first priority should be to make it clear to

the public at large that nuclear energy is an option that is indispensable for tackling the climate change problem. The need to encourage nuclear energy is also a function of its very positive role for the security of energy supply". Foratom strengthened the linkage of nuclear energy expansion and energy security by using a generative metaphor which described nuclear energy as a "*robust and stable buffer*" against external changes that could affect other sources of energy supply (Foratom, 2001). In other words, by linking the promotion of nuclear energy with the idea of a buffer, Foratom wanted to create the perception that nuclear power is an important safeguard for tackling the issues of Europe's energy security. European business groups thus attempted to underline the importance of the nuclear option for secure and climate-friendly energy solutions.

The nuclear industry also played an active role in trying to broaden the pro-nuclear discursive alliance. In order to increase support from the renewable energy sector, pro-nuclear groups acted strategically and discursively linked the promotion of nuclear and renewable energy. The pro-nuclear group wanted to attract some of the renewable energy industry and environmental groups into a pro-nuclear coalition. Moreover, the group tried to establish common ground with the renewable energy sector by stressing, at the ideational level, that the two sources of energy share common features, i.e. low carbon emissions. The pro-nuclear lobby was instrumental in discursively constructing and employing categories such as "low carbon fuels", "CO₂-free energy sources", "low- and non-CO₂ emitting sources", thus linking renewables and nuclear energy into a unifying category which underlined their environmentally-friendly features and detached them from unsustainable carbon rich sources such as gas and coal. In addition, the UNICE and Foratom underlined the need to have both baseload and intermittent power generation capacities, stressing that renewable energy together with nuclear energy should play an important role in

Europe's future energy mix (UNICE, 2001). Foratom (2001) claimed "All energy technologies have a role to play in meeting our needs within acknowledged constraints. It is important to develop renewable energies and energy conservation technologies so that they can reach their full potential. It is appropriate now to reassert the valuable contribution that nuclear makes to meeting the need for abundant and clean baseload electricity in the EU". The nuclear industry lobby thus used discursive actions in order to bring support for nuclear energy development.

The neo-Gramscian account underlines the importance of "organic intellectuals", individuals and/or groups who help to establish educational relationships as well as providing coherent justificatory frameworks for change. In the midst of the struggle over nuclear energy in the early-2000s, the European Nuclear Education Network (ENEN) was created. Through co-operation between universities, research organisations, regulatory bodies, and those industries involved in the application and use of nuclear technology, the ENEN aimed to further develop expertise in the nuclear fields as well developing a common nuclear safety culture throughout Europe (ENEN, 2014). Being a member of ENEN, the Joint Research Centre (JRC) of the European Commission contributed to the network's education activities by providing financial and technical support. For example, the Commission's JRC cooperated with the ENEN in providing a forum for PhD students to present their research work to their fellows and colleagues in the nuclear domain, as well as promoting the research work of PhD students in the nuclear field. Moreover, in nuclear debates, the European Nuclear Society (ENS), the largest society for nuclear science, research and industry in Europe, played the role of organic intellectual. The ENS combines national nuclear societies from 22 countries in Europe, plus Israel, and has a membership of more than 20,000 professionals from industry, the academic world, research centres and authorities (ENS, 2013). The High Scientific Council, a group of senior scientists belonging

to the European Nuclear Society (ENS), tried to provide coherent and scholarly justified discursive frames for future nuclear development. The High Scientific Council linked the increase of nuclear power capacity with solutions to the challenges of climate change and growing energy demands. As was argued in an ENS statement: “The European Nuclear Society believes that the World’s capacity for generating electricity from nuclear energy must be increased substantially if we are to meet the ambition targets for reducing world-wide emissions of carbon dioxide while also meeting the projected growth in demand for electricity” (ENS, 2003a). In addition, the High Scientific Council of the ENS promoted the myth that nuclear is an inevitable solution for future energy security and environmental challenges “...we do not think that nuclear power is the only answer to the problem of supplying more energy while reducing carbon emissions, but we are convinced there is no solution without it” (ENS, 2003b). Moreover, the ENS discourse emphasised the safety and security of Western nuclear technologies. It attempted to contradict anti-nuclear arguments and show that the most sensitive issues of nuclear safety could be properly managed. According to an ENS statement “The safety record of the Western technology-based power plants is very good, with no loss of human life due to a reactor accident in almost 10,000 commercial reactor-years of experience” (ENS, 2003a). Furthermore, the ENS focused on a narrative of the economic competitiveness and stability of nuclear power: “Nuclear energy is economically competitive with other sources of energy in many countries. Once build, nuclear power plants can produce electricity at a predictable cost almost regardless of fuel price fluctuations” (ENS, 2003a).

2.4. Institutional strategies

In a process of hegemonisation, the neo-Gramscian account underlines the importance of the institutional dimension in which a particular order is established and perpetuated (Cox and Sinclair, 1996). At the EU institutional level, the EU com-

missioner for energy, together with the Commission's Energy Directorate, led the creation of pan-European regulatory mechanisms and rules in the early 2000s in order to introduce a common European approach to nuclear safety standards. As a result, in 2002, the Commission proposed The Nuclear Package, draft legislation which strived to introduce this common European approach. The package contained a range of proposals, including principles of safety for nuclear installations, rules for the management of radioactive waste, and financial support for nuclear installations (Euractiv, 2004a). With this package, the European Commission attempted to significantly increase its power over nuclear safety regulation. In other words, the package was an attempt to institutionalise, through rules and regulation, the development of nuclear energy. The Commission recognised that one of the main obstacles to nuclear energy was public acceptance, something that was strongly influenced by anxieties regarding safety and the absence of clearly defined and established procedures for the management of radioactive waste (House of Lords, 2005). Despite its obvious preoccupation regarding the safety and sustainability of nuclear, one could argue that the Commission wanted to not only to address these challenges, but also to reinvigorate support for the developments of nuclear in Europe and take control of regulation of the sector. Derek Taylor, the head of the nuclear energy, waste management and transport unit in the Commission, argued that "Nuclear cannot develop without a consensus that gives it a long enough period of stability, bearing in mind the economic and technological constraints of the industry. The Commission endorses the view that there is a need to keep the nuclear option open" (Taylor, 2002).

Opposition to the Commission's proposal was strong. Due to the structural dependence of its economy on the nuclear sector, France was the only country which supported the Commission's proposal. Since the 1970s, France has been a pro-nuclear country with 80 per cent of its power generation produced by nuclear stations. More

importantly, France, a significant player in the world's nuclear market, has promoted new nuclear technologies and installations which have contributed to economic growth and employment. As Axelrod (2006:15) points out "France has supported the Commission's position... because of its influential role in developing the best practices of safety requirements for nuclear reactors as part of Western European Nuclear Regulators Association (WENRA). France may hope to continue its leadership role". It could be argued that, with the adoption of the Commission's initiatives, France saw the potential for a "nuclear renaissance", not only in Europe but also more widely, thus contributing to the growth of one of the most important industrial sectors in the country. However, the European Parliament was divided on the issue of the nuclear package. Some Parliament committees were more willing to accept these legislative proposals than others (Axelrod, 2006). I will discuss the opposition from the Council and the Parliament in more detail in subsequent parts of this chapter where I discuss nuclear constraints and setbacks.

2.4.1. Heresthetics and the creation of institutional support

In order to build institutional support, the pro-nuclear group's strategy was not limited to rhetorical actions. There was also an attempt to strategically manipulate certain dimensions, i.e. to use Riker's concept of "heresthetic", a logic which constructs choice situations in order to achieve the preferred outcome (Riker, 1986). The EU Commission's Energy Directorate thus attempted to expand the dimensionality of the issue. In other words, it linked the promotion of the Nuclear Package with the issue of EU enlargement. It could be argued that the Commission acted in a heresthetic way in order to expand the dimensionality of energy issues, i.e. to argue that the enlargement and the intake of new member states with unsafe soviet type nuclear reactors required a centralised European regulatory mechanism run by the Commission. As Taylor stated "The objective of the nuclear package, in particular of the proposed

new legislation, is to try to provide better guarantees of a high level of nuclear safety throughout an enlarged European Union” (Taylor, 2002). Moreover, in a conference speech about the nuclear package, Palacio underlined the importance of European-wide nuclear regulation in the context of enlargement: “The future of nuclear power is a specific element for a guaranteed supply of energy, all the more so if we bear in mind the forthcoming enlargement of the EU. With a view to the enlargement of the EU, I have wished to increase security throughout the life cycle of nuclear installations” (Palacio, 2003b). Given that some candidate countries used old soviet-type reactors which were considered unsafe, the pro-nuclear bloc aimed to evoke an association with poor levels of energy governance in Europe. DG Energy and the commissioner for energy and transport thus used enlargement as a heresthetical issue in order to push for nuclear and to promote the EU Nuclear Package: “...Loyola de Palacio...commissioner for energy as well as transport, decided to exploit impeding enlargement to East Europe to advance a more proactive EU nuclear power” (Buchan, 2009: 175, 176).

Given the Commission’s heresthetics, certain EU member states from the anti-nuclear group found themselves in a difficult situation. For example, at the beginning of the 2000s Austria and the Czech Republic had a conflict over the closure of Czech Temelin nuclear power plant, a soviet-type nuclear plant which was built near the Austrian border. Due to safety concerns Austria demanded the closure of this plant, otherwise it would veto the entrance of the Czech Republic into the EU. Austria thus found itself in a difficult situation as, on the one hand it hoped that the adoption of EU Nuclear Package with European rules and regulations for nuclear energy could ensure a higher level of safety and help deal with old soviet type nuclear power stations. However, the irony was that, with the latter strategy, the uniform EU standards which were envisaged in the Nuclear Package could actually lend support to the nu-

clear industry by allaying public fears about the risks associated with the nuclear option, as well as helping to reduce capital costs for new reactors. According to Axelrod (2006:8) “Public acceptance of nuclear power plants might grow if there were equally high safety standards throughout the EU”. Given the enlargement situation, the Nuclear Package generated a political dilemma for some members in the anti-nuclear group. On the one hand, if they rejected the Nuclear Package then they would be less able to deal with the threats from the old soviet-type reactors still in use in some of the accession countries in the Central and Eastern Europe (e.g. Lithuania, Bulgaria, Slovakia and Czech Republic). However, on the other hand, if they accepted the package then they would revive public support for nuclear energy as safety concerns would no longer be seen as so pressing. In order to enhance support for its Nuclear Package, the Commission therefore acted in a timely manner in order to expand the dimensionality of the nuclear debate.

Despite these heresthetical attempts and other strategic actions, the pro-nuclear bloc led by the Commission’s Energy Directorate was not able to increase institutional support for the promotion of nuclear power. During debates regarding the EU Nuclear Package, there remained a clear opposition in the Council. A majority of member states, excluding France, were against more stringent nuclear regulation from Brussels. According to Axelrod (2006:16) “Major opponents to a Community-wide approach that were able to substantially reduce the proposed scope and binding compliance mechanisms have been: the United Kingdom, Finland, Sweden and Germany. The first four states have enough votes to block the legislation”. Moreover, the Nuclear Package proposed by the Commission in 2002 was re-submitted, and watered down considerably, before final agreement was achieved at the end of 2004 (Euractiv, 2004b). In the following section I will assess the main challenges and limitations to

promoting nuclear power hegemony and adapting to EU-wide nuclear policy regulation.

3. Institutional and discursive challenges to create pro-nuclear historical bloc

3.1. Divisions within the EU Commission

The neo-Gramscian perspective views hegemony as a broad base of consent (Levy and Egan, 2003), and divisions within the Commission itself hampered the promotion of nuclear hegemony. It could be argued that, due to competing long-term visions within the Commission, it was difficult to find consensus on future European energy policy developments. As has been argued, Energy commissioner Loyola de Palacio promoted the nuclear option, and the main split within the Commission was between the Energy and Environment Directorates, with the latter led by Commissioner Margot Wallstrom. According to Mahony (2002): “The debate has put the split in the Commission between DG environment and DG energy into sharp relief. On the one hand, Ms Palacio is arguing that nuclear energy can help the EU meet its Kyoto Protocol commitments. Margot Wallstrom, the environment commissioner, on the other hand, is completely opposed to this, arguing that it is not a viable option”. It could be argued that Commissioners Wallstrom (environment), Schreyer (budget), Verheugen (enlargement), Diamantopoulou (employment/social affairs), Kinnock (administrative reform), Fischler (common agriculture) and President Prodi were all against nuclear development and instead preferred the development of renewable energy sources combined with actions on the demand side. On the other side, Commissioners Basquin (research), Bolkestein (internal market and services) and Patten (external relations) all supported Loyola de Palacio and DG Energy’s nuclear initiatives (The Green 8, 2002, Interview 21, 25). There were therefore disagreements within the Commission on a long-term vision for energy policy.

This lack of consensus within the Commission undermined nuclear energy hegemonisation at the European level. The first evidence of clashes regarding nuclear issues was seen during public debates on the Commission's Green Paper on the Security of Energy Supply at the end of the 1990s and the beginning of the 2000s. Presenting the results of public debates, Palacio attempted to establish an equivalence between the use nuclear energy and a reduction in CO₂ emissions. She argued that “Nuclear energy and renewable sources of energy are the only way to cut down on CO₂s” (Mahony, 2002). In addition, the EU Energy Commissioner wanted to detach energy policy discussions from moral issues. Palacio added “you shouldn't have moral judgements on energy sources” (Mahony, 2002). The pro-nuclear position expressed by the Energy directorate was criticised by other commissioners. Due to these disagreements, in 2002 the Commission was not able to find common ground on the adoption of a final report on its 2000 Green Paper on the Security of Energy Supply. As some analysts pointed out “The report was to have been tabled before the Seville European Council, but disagreement between Commissioners blocked its adoption...it seems more likely that several Commissioners objected to the link drawn by Energy Commissioner Loyola de Palacio between honouring the Kyoto climate change commitments and use of nuclear energy” (European Information Service, 2002). Some commissioners tried to decouple the issue of nuclear power from the debate on emission reductions. For example, the Commissioner for environment focused on the problem of nuclear and linked the use nuclear energy with pollution. She provided a broader definition of pollution, focusing not only on CO₂ emissions but also on nuclear waste. According to Wallstrom “...energy still has an image as a polluter. It is fed by atmospheric emissions, nuclear waste, the destruction of habitats due to the construction of dams, the risks associated with the transportation of oil the most recent mishap threatening the unique Galapagos islands” (Wallstrom, 2001). In

other words, Wallstrom denied the low carbon nature of nuclear power by placing it in the same basket as fossil fuel energy resources. Moreover, the Environment commissioner tried to decouple nuclear from economic competitiveness and stability demands. Focusing on the narrative of energy market liberalization, the Environment Commissioner questioned the economic credentials of nuclear power. As Wallstrom explained “Liberalisation is also changing the market for energy investments by shortening the required payback time. Therefore, capital-intensive energy sources, such as nuclear, are less likely to figure in the energy portfolio under the conditions of a liberalised market” (Wallstrom, 2001). As a result, the divisions within the EU Commission were one of the factors which limited overall progress towards the promotion of the nuclear option.

3.2. Opposition in the Council

Despite the Commission’s heresthetics and other strategic actions to build up institutional support for nuclear energy, there was a strong opposition against the nuclear option in the Council. Most EU member states expressed their intentions to phase out their nuclear power plants. In addition, by the early 2000s, five out of the eight Member States with nuclear installations introduced or announced moratoriums. According to Umbach “...five (Germany, Sweden, Spain, Netherlands and Belgium) out of eight EU member states (the other three are France, the United Kingdom and Finland) with nuclear power...adopted or announced a moratorium on nuclear power or decided to give up nuclear energy production” (Umbach, 2008: 14, 15). For example, in Germany in the early 2000s a political conflict emerged and, thanks to the strong influence of the Green Party, in 2002 Germany adopted a law according to which Germany’s 19 nuclear reactors would be closed down after reaching 32 years of operation (DW, 2003). However, the plan was criticised by many politicians and energy businesses. As was stated “the plan is coming under increasing criticism from

energy companies and opposition politicians, who say the prohibitive cost of renewable energy and recent blackouts in the United States prove the country still needs its nuclear plants” (DW, 2003). Moreover, Italy was an early pioneer of nuclear technology, but all plants were shut down by 1990 in accordance with a referendum that followed by the Chernobyl disaster in 1986 (BBC, 2009). In Belgium in 2003, a law was passed which banned the construction of new nuclear power plants (BBC, 2003). Since the end of the 1970s, Austria had been staunchly anti-nuclear and was one of the first European countries to start focusing on the use of alternative energy sources, primarily biofuels. Chairing the presidency of the EU Council at the end of the 1990s, Austria paid particular attention to the development of renewable energy. As was argued “the Austrian Presidency of the EU is naturally concerned to add its weight to a number of Community actions in the field of renewable energy sources like solar energy, wind and wave power, geothermal energy, biomass and energy crops” (Europe Information Service, 1998). The UK, with the adoption of a white paper on its energy future in 2003, was also sending ambiguous signals regarding nuclear development. Roche (2005) pointed out “While the White Paper did not rule out the possibility of building new nuclear power stations at some point in the future if it proves ‘necessary’ to meet the UK’s carbon targets, it said that current economics make it an unattractive option and there are important issues of nuclear waste to be resolved”. There were thus growing anti-nuclear attitudes in most EU countries.

3.3. Structural constraints

There is no doubt that, in national governments’ opposition to the Commission’s pro-nuclear position, public concerns played a vital role. However, one should not neglect the importance of structural constraints and systematic dependence on economic growth/capital accumulation in explaining the positions of certain EU countries. It could be argued that the anti-nuclear stance in countries such as Germa-

ny and the UK can be explained by analysing the role of certain businesses. On the contrary from the EU Commission, member states are often constrained by short-term particular interests. According to Paterson (1996:158) “The state is then seen as necessarily involved in the process of reproducing these background conditions. Marxist state theorists, such as Bob Jessop, outline how the state in capitalist society has the securing of capital accumulation as one of its main functions”. Moreover, states have different capital accumulation strategies and policies, and accumulation requires conditions of access to particular energy resources to be met. In other words, energy is the lifeblood of every economy. It could be argued that differences in attitudes towards nuclear can be explained by looking at the different relations that certain economies have with regards to energy. As Paterson (1996:161) explained “...to the place energy has in the overall process of capital accumulation, and the corresponding power this confers on those fractions of capital involved in energy production”. The structural power of capital thus influences the way states react to certain policy proposals.

After several incidents such as Three Miles Island in 1979 and Chernobyl in 1986, the image of the nuclear industry was damaged and public trust was low. Moreover, in the 1990s, the collapse of the Soviet Union opened new opportunities for major European oil and gas companies to invest and gain access to cheap and easily accessible fossil fuel deposits. For example, in the early 1990s, BP, Royal Shell, Ruhrgas and ENI were the dominant European companies making huge investments in gas and oil exploration and production sites in Russia, Azerbaijan and Kazakhstan. Due to excessive supply and limited demand the price of oil and gas was low throughout the 1990s. The competing relationship between gas and nuclear was underlined by Helm (2012:134) “if the gas price is expected to soar then nuclear is much more economic. If it falls, then it is priced out of the market”. Given that gas

and nuclear are competing sources for power generation, cheaper and relatively low CO₂ emitting gas was considered, at least in some European countries, as a new strategic resource for viable and sustainable capital accumulation. One could see how this strategic shift took place in some member states. For example, in explaining the anti-nuclear attitudes the role of Green Party in Germany should not be neglected. Nevertheless, one should also take into account broader changes in the relationship between energy and capital accumulation. The evidence of this transition can be seen in the strategic merger between two large European energy companies in 2002: EOn and the gas corporation Ruhrgas. This move symbolised the growing strategic role of gas in Germany's overall power generation capacity. The merger allowed Ruhrgas to increase its financial clout in order to make strategic investments in growing gas production in Russia and other post-Soviet countries. The structural power of EOn-Ruhrgas increased not only because the new company became the biggest energy corporation in Europe, employing thousands of people and paying billions in taxes, but also because having signed a long-term contract with Gazprom it was responsible for the stable supply of energy to the country, a major condition for successful economic growth. The German government, preoccupied with short-term interests, saw nuclear as uneconomical as there was the possibility of getting a stable supply of abundant and cheaper gas. The structural constraints of this new shift were evident when the German government, despite competition infringements, decided to approve the Eon-Ruhrgas deal. Although the Federal Cartel Office in Germany blocked the merger of the two companies, Schröder's government overruled the competition authority under the pretext of the industrial and energy security interests of the country (Falck and Heblich, 2007).

Similar tendencies were seen in the UK in the early 2000s. The government was concerned about a plateau in the production of North Sea oil and a reduction in

gas reserves. At this time, energy analysts pointed out that the supply/demand ratio was deteriorating, and that Britain would soon become a net gas importer (Reuters, 2001). Moreover, in terms of a cost-benefit analysis for power generation, the UK government viewed the gas option as more attractive than nuclear. Some argued that, by 2025, gas-fired stations could produce 70 per cent of British electricity needs (Taylor and McNulty, 2004). According to MacKerron (2004:1959) “The UK Government’s stated primary reason for rejecting nuclear power at present is economic. This reflects the fact that at current and foreseeable market prices and market structures, private investors do not find nuclear power an attractive option”. MacKerron further explained the benefits of combined-cycle gas turbines (CCGTs) “At an immediate level, they have clearly been the cheapest option...CCGTs were also a low risk option, well-suited to the new market conditions of liberalisation” (MacKerron, 2004:1959). The government’s decision to suspend nuclear development was made around the time when British Petroleum (BP) made the largest foreign investment in the history in the Russian oil and gas fields, and merged with Russian energy corporation TNK. One of the main goals of this consolidation for BP was to expand its natural gas business, which was seen as strategic. Furthermore, BP was a vital company for the UK economy in terms of tax payments and employment, and most of the UK’s pension funds invested in BP and thus depended on the success of its operations (BBC, 2010). In order to ensure the success of its capital accumulation, the UK government was focused on short-term actions to ensure the provision of the most cost-effective energy at this time. Showing support for BP’s strategic investments in Russia, the British Prime Minister Tony Blair, together with the Russian President, presided over the signing of TNK-BP agreement. Commenting on the agreement, Blair underlined that the deal ensured both security and economic growth (BBC, 2003). Reynolds (2003) pointed out that “One reason for the cosy atmosphere during the

state visit to Britain by the Russian President, Vladimir Putin, is the mutual interest of both countries in the sale of vast amounts of Russian natural gas to Britain. For Russia, it will mean billions of dollars; for Britain, it will mean keeping the lights on". Concerns regarding the stability and affordability of energy supplies, and the role of BP in the UK's economy, could be thus be viewed as structural constraints which prevented the British government from having a more positive attitude towards nuclear developments.

3.4. The role of civil society and anti-nuclear discourse

One of the main setbacks in the pro-nuclear war of position was the inability of the pro-nuclear coalition to acquire support from, and spread its message across, civil society. On the contrary, European civil society organisations were very active in mobilising public support against nuclear development. At the discursive level, environmental groups used the post-structuralist logics of difference to counter pro-nuclear discourse. For example, seeking to detach the role of nuclear from the promotion of integrated energy policy, green civil society groups emphasised that nuclear technology was not a reasonable solution for either growing energy dependence or climate challenges. First, in terms of energy security, environmental groups described nuclear as the "*insecure energy option*" (Greenpeace, 2001). However, compared with the Commission, the essence of this narrative was to focus on military rather than energy insecurity, underlining the importance of the September 11 terrorist acts in the US. Responding to the consultations of the EU Green Paper, some environmental groups made it clear that "Following September 11th attacks in the US there can be no future for nuclear power. The fact that anti-aircraft missiles and fighter aircraft are being stationed around nuclear facilities across the world shows that nuclear power is vulnerable to attack. The risks are so great from a nuclear disaster following any sort of attack, that a decision to close all nuclear facilities must be taken immediately.

An energy technology such as nuclear power, which can bring about such wide ranging and long term damage to human health and civilisation, can never be considered an 'energy security' option; nuclear power is an '*insecure energy*' option" (Greenpeace, 2001). Supporting these arguments, Friends of the Earth focused on the dangers posed by unresolved nuclear waste management (Taylor and McNulty, 2004). In addition, Inforce-Europe, an international network for sustainable energy, emphasised the security of supply problems of nuclear caused by the insecure nature of nuclear technologies. According to the Inforce-Europe report on the 2000 Green Energy Paper "...whole series of reactors might have to be stopped at once, after an accident in one reactor, or if a flaw is found in the reactor design. We cannot agree with the conclusion that there is a need for research and development in new reactor types" (Inforce-Europe, 2004). Compared with the nuclear industries, renewable energy businesses did not see the possibility of reconciling nuclear and renewable energy options. Organisations such as the European Wind Energy Association (EWEA) argued that nuclear was a threat to national security, not a solution, as there are other viable and more secure supply side options, which pose no threat to national security, and which enjoy more public and political support than nuclear power (EWEA, 2001). As a result, environmental groups, together with the renewable industry, raised security concerns and portrayed nuclear as an insecure energy option.

Moreover, environmental groups underlined the lack of competitiveness of nuclear power by linking it to growing energy market liberalisation. The joint report prepared by major European environmental organisations such as BirdLife International, Climate Action Network (CAN), European Environmental Bureau (EEB), Friends of the Earth Europe, Friends of Nature International, Greenpeace, the European Federation for Transport and Environment, and the WWF, explained "The liberalisation of the energy market will make it even more difficult for nuclear power to

revive, due to the high investment intensity required. Nuclear power is not competitive without state aid. The EU subsidies for nuclear are still higher than those for alternative energy sources” (The Green 8, 2002). Environmental NGOs also sought to decouple the issue of nuclear development from demands to tackle climate change. Groups such as CAN argued that nuclear had nothing to do with responses to climate change (FT, 2001). Instead of focusing only on the issue of CO₂ emissions, the anti-nuclear bloc extended the debate towards wider issues of environmental protection. According to Greenpeace “...statements that nuclear power is an option for combating climate change is completely misleading and shows the Commission’s lack of understanding on such issues. Nuclear power’s role in undermining real energy solutions to climate change, namely energy saving and renewable energies, are well documented throughout the European Union. Nuclear generation, nuclear materials and associated practices pose unacceptable risks to people and to the wider environment both today and long into the future” (Greenpeace, 2001). Anti-liberalisation discourse was thus aimed at arguing against the economic and environmental benefits of nuclear power.

Anti-nuclear discourse against the adoption of the Nuclear Package focused on several issues. The objective was to turn the discussion away from safety concerns towards debates on the revival of the powerful nuclear industry. First, civil society groups described the package as a “fraud” and denied its benefits for nuclear safety and security. Second, some called the package a “*nuclear survival package*”, and argued that it would help to strengthen the influence of the nuclear industry. In a detailed letter to EU environment ministers, Greenpeace called the Nuclear Package a “*camouflaged kit*”. By using these metaphors, the environmental groups wished to emphasise the deceitfulness of the package. The Greenpeace EU adviser, Arjette Stevens, claimed “The reality is that what is being proposed is a nuclear survival pack-

age, not safety enhancement. Vice- President de Palacio is pro-nuclear and it would appear she is willing to do almost anything to throw this dying industry a lifeline. Greenpeace is not fooled by her rhetoric and the Environment Council should not be fooled either” (Greenpeace, 2002). Friends of the Earth shared this argument, stressing that the Nuclear Package represented a co-ordinated effort to prepare the ground for the further development of atomic power in an enlarged EU (Euractiv, 2004a).

In order to win public support, civil society groups organised various public demonstrations against nuclear power. For instance, during the nuclear discussions at the end of the 1990s and the beginning of the 2000s, Greenpeace targeted individual countries, as well as EU institutions, to demonstrate the security problems of nuclear plants. In 2002 Greenpeace activists invaded a nuclear power plant in Belgium and erected a wind turbine as a symbol of the advantages of renewable energy over nuclear. Moreover, Greenpeace activists stormed the Jose Cabrera nuclear facility in Zorita (Spain) and scaled the dome of the plant, from which they unfurled a banner with an anti-nuclear message. Concerns about the physical security of the plant were raised following this incident. Further, in 2003 Greenpeace invaded Britain's flagship nuclear power facility at Sizewell. Commenting on this action, Greenpeace used metaphorical expression and compared the security of the nuclear power plant with the security of a nightclub. In order to emphasise this lack of security, one of Greenpeace activists argued: “Sizewell is easier to get into than a Norwich night-club. It is a terrifying thought that if we can do this then anyone can. We wouldn't do anything to interfere with the plant but if terrorists targeted a nuclear power station it would be deadly. These places contain stores of dangerous radioactive waste, nuclear fuel, as well as the reactor itself. Sabotage could spread radioactive fallout for miles around” (Greenpeace, 2003a). In 2003 Greenpeace activists delivered 15 barrels of fake radioactive waste to the front of the European Parliament, drawing attention to this ongoing issue

(Greenpeace, 2003b). Environmental groups thus waged public campaigns in order to justify their discursive arguments and to demonstrate the serious security flaws of the nuclear option.

Given a lack of domination over the institutional and discursive domains, the Commission was not able to create a long-term energy order based on the promotion of nuclear energy. The Commission thus reduced its ambitions and watered down the Nuclear Proposal, taking a much less prominent role on nuclear issues than initially envisaged. As has been argued in this chapter, this war of position in favour of the nuclear option suffered major setbacks in the institutional and discursive domains, and the divisions within the Commission and among member states weakened the pro-nuclear historical bloc. Moreover, pro-nuclear groups were not able to muster support from civil society. Growing internal and external challenges in the mid-2000s sharpened contradictions in European energy policy. Due to increasing evidence of the seriousness of global warming and its effect on the European economy, as well as emerging global energy supply crises, the climate change dimension became an even more urgent issue. In the mid-2000s, the Commission and other players began to address these challenges by moving away from the nuclear option, and focusing more on renewable and green energy developments. In the following chapter, I will therefore analyse and explain the development of the low carbon historical bloc.

Conclusion

This chapter has shown that historical institutionalism, informed by the neo-Gramscian approach and a post-structuralist perspective, can provide a comprehensive explanation of EU energy policy changes. This approach is able to explain the early-2000s shift towards energy security and the climate dimensions in particular. Moreover, this approach can account for the role and reaction of the Commission in addressing energy security and climate change challenges. Nevertheless, it is not able

to explain why certain external events or crisis arose as external shocks. One could argue that a lot of what drove developments in the EU energy domain in the early 2000s were exogenous to EU processes. Compared with realist-oriented and liberal intergovernmentalist views of the Commission as a passive player which implements signals from member state governments, I argue that the Commission has been leading the creation of long-term energy policy. Historical institutionalism informed by the neo-Gramscian tradition allows us to explain that reactions to and changes in EU energy policy were partly driven by the Commission's wider policy orientation that is embedded in its historical make-up. In this chapter I explained that, in the early 2000s, debates surrounding the response to security and climate issues were largely focused on the nuclear option. One could argue that the Commissioner for energy, and other relevant actors, saw the nuclear option as a viable solution to addressing long-term development challenges, such as growing dependence on energy imports as well as deteriorating climate change phenomenon, in a coherent way. Moreover, this approach can also explain the counter-reaction to nuclear by other parts of the Commission and member states. As has been argued, this approach takes into account different visions of what constitutes long-term energy policy. In addition, historical institutionalism can explain that the discrepancy between the Commission's long-term orientation, and the often short-term interests of national governments, was locked-in via the historical creation of European institutions in the early 1950s. On the contrary, the supranationalist logic of spillover does not take into account the path-dependent feature of the EU Commission's forward-looking policy orientation when explaining change. Moreover, constructivists would argue that the Commission's actions cannot be detached from the socialization effect of the EU environment. Yet the constructivists are not able to explain those somewhat unexpected actions by the Energy Commissioner that focused on nuclear power against the background of fierce opposition

at the EU level. In this chapter I have therefore argued that at least some commissioners and actors within the Commission saw nuclear as the best option to successfully address security and climate challenges.

My theoretical approach is better able explain the underlying factors which influence states' positions in the process of EU energy policy development. This approach explains why the majority of member states did not support the Commission's pro-nuclear position. Due to processes of capital accumulation, member states are restrained by the structural power of certain businesses. In this chapter I showed how, in the 2000s, the interests of national governments, including the UK and Germany, were structurally constrained by the growing power of expanding oil/gas businesses. The struggle between the long-term European interests of the Commission and the particular interests of member states therefore diminished the pro-nuclear hegemonic order.

I treat the Commission as a proactive player which used a war of position to lead the creation of a new hegemonic order. Some theoretical perspectives, such as neorealism, structural Marxism or supranationalism, provide overly structural explanations. My theoretical approach instead seeks to reveal agency factors in explaining how the Commission, or at least certain parts of it, together with its allies, contributed to the process of pro-nuclear hegemonisation through the use of material, institutional and discursive strategies. At the material level, the Commission created investment opportunities and provided financial contributions for nuclear energy development. Moreover, at the institutional level, the Commission attempted to form broad pro-nuclear coalitions which would enhance the competitiveness and sustainability of nuclear energy in the EU. The Michelangelo Network was created to solidify the pro-nuclear coalition and to develop new ideas and solutions in the nuclear domain. At the discursive level, pro-nuclear advocates focused on the linkage of nuclear energy

with energy, social and economic demands, and pro-nuclear business groups emphasised the importance of nuclear for dealing with security and climate issues.

This theoretical approach also explains what happens when certain players use the logic of heresthetics in an attempt to manipulate actions in order to construct choice situations and achieve desired outcomes. In this chapter I explained how the pro-nuclear group used heresthetics in order to strategically manipulate certain dimensions and strengthen the institutional domain. In other words, the pro-nuclear bloc led by the Commission attempted to expand the dimensionality of nuclear debates by linking the adoption of the Nuclear Package with the process of EU enlargement. The linkage symbolised a heresthetical moment in which the promotion of the Nuclear Package caused a political dilemma for some anti-nuclear actors who feared that a rejection of the proposal would undermine broader European regulation of nuclear safety, especially in the context of the accession of new member states with old soviet nuclear technologies.

Another important contribution of this theoretical approach is that it allows us to unravel strategic discursive contestations at the ideational level. Certain perspectives (e.g. neo-realism) assume that actors have fixed interests that they pursue, and that it is less important how certain narratives are constructed and how certain ideas are framed. Liberal intergovernmentalists focus on the ideational struggle in relation to the formation of domestic preferences without focusing on the European level. Moreover, although neofunctionalists and constructivists stress the role of socialization and deliberation at the EU level, they do not reveal the dynamics, processes and mechanisms of discursive struggle. An important part of my explanation develops the post-structuralist political logics, as well as other important rhetorical elements, which help to identify the making and breaking of arguments in the development of a hegemonic order, thus addressing gaps in the explanation of changes in the European

energy domain. In chapter 4 these logics showed the dynamics of the battle over nuclear energy, i.e. revealing how pro-nuclear and anti-nuclear players attempted to link and/or dismantle certain arguments in order to provide a justificatory framework for change.

Chapter 4

The war of position towards low carbon energy policy

Introduction

As was discussed in the previous chapter, at the end of 1990s and the beginning of the 2000s, responding to long-term accumulation challenges, the Commission created an equivalential linkage between energy security and climate (environmental) demands. Since 2005, the climate change dimension has become dominant, though with a continuing importance for the security of energy supply. In the mid-2000s, the communication of the EU energy policy began to focus on the issue of decarbonisation. It could be argued that what happened in the mid-2000s was, according to a neo-Gramscian account, the advent of an *“organic crisis”* caused by a chain of exogenous energy security and environmental shocks, leading to a growth in the Commission’s activism in promoting ideas for an alternative energy order based on a low carbon ideology. It could be argued that the failure to find a consensus on the nuclear policy option contributed to this gradual shift towards low-carbon, green energy developments. The climate dimension began to transform energy policy in the EU to such an extent that it has developed a hegemonic dynamic. All of these challenges had an impact on EU energy policy discussions. Since the mid-2000s, the Commission, together with other players, has pursued a war of position in trying to create a new low carbon historical bloc. In this war of position the bloc attempted to diversify and link together a range of demands in order to confront the carbon-constrained accumulation model which was considered as unsustainable. Nevertheless, as I will argue in the following chapter, given the economic crises and contradictions over competitiveness, the historical bloc started to crumble in 2010 as the accumulation-legitimation crisis in the EU became more acute and short-term accumulation demands substantially downplayed talk regarding long-term decarbonisation.

This chapter analyses and explains the formation of the low carbon historical bloc. Moreover, I will explain how the Commission and other players used the opportunity of an emerging organic crisis to embark on a war of position in an attempt to repackage EU energy policy in a hegemonic way. The aim was to convince the public and other stakeholders that a sustainable low carbon energy policy was important, not only for climate (environment) issues, but also for economic competitiveness and security, i.e. to link these different demands together. In the first section, the effects of gas and oil supply disruptions, the oil shock, and a growing level of negative environmental incidents will be evaluated. The emergence of the organic crisis in the 2000s will be assessed. Moreover, the increasing prominence of “ideological” energy triangle will be identified. Furthermore, I will assess the role and positions of state and non-state actors in the creation of this historical bloc. In the subsequent part, an explanation of how the Commission and other players led the ideological war of position in trying to create a sustainable low carbon historical bloc and a new hegemonic order will be provided. In addition, I will assess the role of organic intellectuals in consolidating this low carbon historical bloc. In the final part, I will explain not only the emergence of this hegemonic formation, but also the growing opposition to low carbon policies.

1. Contradictions and shocks of the EU energy policy

1.1. The effects of supply crises and natural disasters

In 2004 the energy situation changed dramatically when crude oil prices increased by about 30\$ per barrel to levels not seen since the 1980s (BBC, 2004). This was the greatest surge in oil prices since the 1970s. The causes for these changes can be related to several factors. It could be argued that continuing energy supply challenges have strengthened the security dimension of EU energy policy. Following an increase in energy security concerns at the end of the 1990s, the year 2003 could be

considered as one of the worst in terms of security of supply. First, 2003 saw an oil strike in Venezuela when managers at the state-run oil monopoly, PDVSA, tried to force out President Hugo Chávez by shutting down the flow of oil for months. Oil production collapsed significantly (The Economist, 2003). Second, in the same year, social unrest in Nigeria caused a disruption of oil production and exports. This was caused by the armed groups involved in the lucrative business of stealing crude oil from pipelines in Nigerian Delta (BBC, 2004). Third, oil production was severely disrupted due to sabotage attacks on oil facilities following the US invasion of Iraq (BBC, 2004). Major supply disruptions thus had an influence on growing concerns regarding oil prices at this time.

In the mid-2000s, security of supply as well as economic growth were seriously affected by a growing frequency of natural disasters. For example, in 2005, Hurricane Katrina hit the US oil industry in the Gulf of Mexico. McNulty and Hoyos (2005) pointed out that “damage assessments from Hurricane Katrina pointed to worse-than-expected delays in restarting refineries, sending oil prices to new records”. By destroying platforms and ports in the Gulf of Mexico, where about 50 per cent of US crude refining capacity is located, the hurricane heightened concerns about further rises in petrol prices. The OECD chief economist, Jean-Philippe Cotis, said that the rise in oil prices as a result of Hurricane Katrina was a *major economic shock* (Cotis, 2004). In order to limit the economic impact of soaring fuel costs in the aftermath of hurricane Katrina, the EU discussed the issue at a special meeting of finance ministers in 2005, focusing on long-term EU energy policy debates (BBC, 2005). This serious natural disaster thus triggered discussions regarding the sustainability of Europe’s energy order.

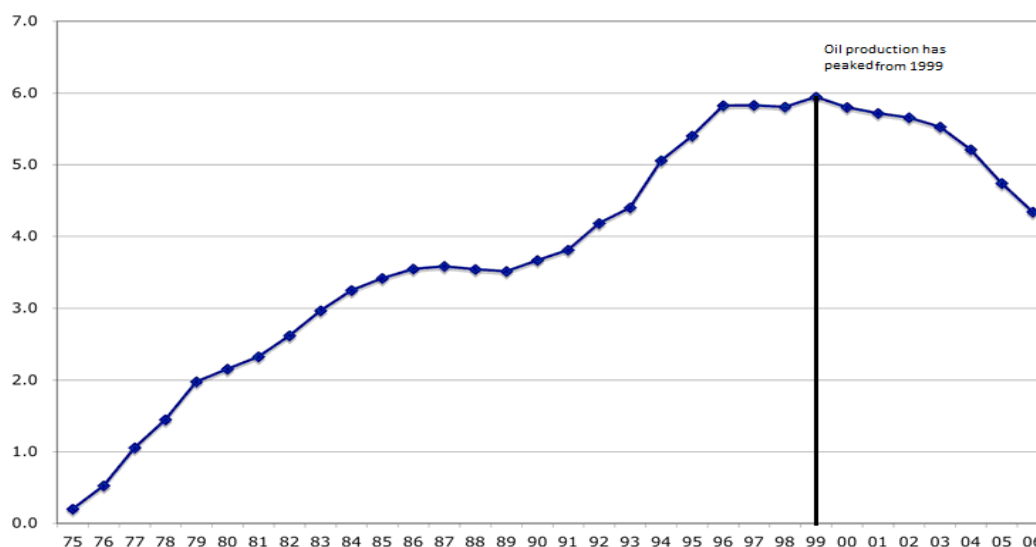
Climate change and extreme weather conditions, which hit Europe in 2003 and 2005, also had a significant impact on Commission-led discussions regarding

Europe's long-term economic sustainability. The heat waves in France and other European countries, torrential rains in Romania, violent storms and heavy rains in the Balkans, and devastating floods in cities and towns across central Europe pushed discussions of climate change to the top of the EU energy policy agenda. Following these events, Stavros Dimas (2006), the EU Commissioner for Environment, stressed the dangers that a changing climate could inflict on Europe's economic development model: "As Hurricane Katrina reminded us so brutally, climate change threatens the prosperity and even the very stability of our societies if we do not succeed in bringing it under control. It is one of the gravest challenges in front of us". As a result, the climate dimension began to play a more prominent role, becoming a common denominator linking an integrated energy-climate policy in the EU.

1.2. Growing global oil demand and decreasing European production

Supplementary effects of the exceptionally fast growth in global oil demand contributed to the surge in oil prices. In the first half of 2000s, rapid growth in the world's economy drove huge increases in oil demand. Due to oil production cuts in Venezuela, Nigeria and Iraq, in 2004 demand significantly outpaced supply causing drastic increases in the oil price. In addition, the decline in the North Sea oil production has elevated Europe's energy dependency. According to an Institute for the Analysis of Global Security report: "...the North Sea is about to lose its prominent role as one of the world's leading oil domains" (IAGS, 2004). Figure 7 shows historical trends in North Sea oil production. As we can see from the graph, oil supply peaked around the turn of the 21st century.

Figure 7. The North Sea oil production in million barrels per day.



Source: US Energy Information Agency

Dependence on imported oil has been rising due of the widening gap between European production and demand. As a consequence, in the Ecofin meeting of EU finance ministers in 2005, ministers expressed their concerns regarding the effects of oil price shocks on the EU economy and called on oil supplier countries to produce enough fuel to meet global demand (Desai and Carrel, 2005). Moreover, the EU Commission made it clear that booming oil and gas demand and growing volatility in energy markets posed a direct threat to viable long-term economic growth. According to Piebalgs (2007a) "...world energy demand is set to increase by more than 50% by 2030. Demand for oil alone is expected to grow by 41% during this period. This level of sustained growth is unprecedented. The risk that this brings to the world's economy is obvious. Oil and gas reserves are increasingly concentrated in the hands of a few countries that control them carefully through a national monopoly company".

1.3. The effects of the Russian gas supply crisis

The Russian-Ukrainian gas crises of 2006 and 2009 were significant incidents which strengthened and consolidated the development of the EU's energy policy. Russia cut gas supplies to Ukraine as a result of price disagreements (Koren and

Bukkvöl, 2007:9). Due to 80 per cent of Europe's gas imports coming through Ukraine, EU countries began to feel the consequences of this dispute (Stern, 2006). The EU was gravely affected as Hungary, Poland, Austria, Slovakia and Romania faced cuts in their gas supplies. Moreover, the Hungarian supply was reduced by 40 per cent. Stern argued that "The fall in volumes delivered to European Union countries caused an outcry all over Europe" (Stern, 2006a:8). The dispute between Russia and Ukraine re-emerged in January 2009. As a result, in the winter of 2009, deliveries of gas to Europe through Ukraine were drastically reduced. The majority of EU member states were adversely affected.

The Table 2 shows the seriousness of the 2009 crisis in EU countries, where most were affected in one way or another.

Table 2. Consequences of the 2009 gas crisis

Bulgaria	Supplies from Russia delivered via a pipeline across Ukraine completely halted. The government began rationing gas supplies to industry, warning that stocks may run out in a matter of days. Several thousand households in eastern Bulgaria were left without gas heating. Dozens of schools were shut and some companies were closed. The country had no alternative supply.
Czech Rep.	The country's supplies of Russian gas halted completely. Reserves were used, and extra supplies came via a separate pipeline bringing in mainly Norwegian gas.
Germany	Some energy-heavy industries were warned about possible supply reductions. The country gets gas through an alternative route through Belarus and Poland.
Italy	Daily supply was reduced by 30 percent and Italy boosted its use of gas reserves by 57%. Italy had an alternative in increasing gas supplies from North Africa.
Slovakia	Slovakia declared a state of energy emergency after it lost 70 percent of its gas imports.

Source: Author

The gas crises contributed to the strengthening of the relationship between climate change, security of supply and economic development, and the EU Commission called for the creation of a common European energy policy. Following the 2006

gas crisis, an emergency meeting of energy experts was convened in Brussels. Given the shortages of gas, the Commission saw how vulnerable the Union was in terms of both economic and social stability (BBC, 2006). Discussing lessons learnt from the 2006 gas crisis, the EU Energy Commissioner Andris Piebalgs stated that “it is clear that Europe needs a clearer and more collective and cohesive policy on security of energy supply. To date, the issue...is only really considered at national Member State level; but in reality we need a much greater *European-wide approach* on this issue” (Piebalgs, 2006). The gas crises in Europe thus contributed to a growing momentum in European energy policy.

2. The emergence of an organic crisis

It could be argued that these growing contradictions and shocks lead to the emergence of an *organic crisis* in Europe. By “organic”, Gramsci referred to systemic and long-term contradictions. An important aspect of organic crisis is the emergence of transformative political agency. Compared with other periods, the simultaneous environmental and security crises in the mid-2000s helped the Commission to generate momentum towards a new low carbon order. The organic crisis in the energy domain went beyond just economic issues, also posing moral and ethical questions about the sustainability of the existing economic and energy order based on the use of fossil fuels. The existing energy order began to lose its legitimacy, creating an opportunity for a low carbon historical bloc capable of disseminating a decarbonisation ideology. The question of legitimacy was raised when the European public began to view climate change as the most important environmental issue facing the continent (Adele and Withana, 2008). Moreover, an organic crisis raises questions about societal change and a changing social order. In this respect, in the mid-2000s, energy and climate issues became a part of a wider discussion regarding societal change, i.e. how to turn the EU into a low carbon society. As Barroso (2007a) explained “There is

widespread consensus that we must pursue the road towards low-carbon society. And we must do so on the basis of a shared vision, in Europe and beyond”. In addition, Barroso (2006) identified several features of the emergent organic energy crisis “Europe's energy landscape is changing, and changing fast...Firstly global energy demand is expected to increase by 60% by 2030. Secondly, mature hydrocarbon reserves in Europe are declining. Today the EU imports about 50% of its energy. Thirdly, the price of oil and gas is rising. Fourthly, our climate is changing with disastrous consequence to the World”. A key indication that the EU accumulation and energy regimes were faced with a crisis rather than a conjunctural adjustment came with the evaluation of official attitudes in the Commission regarding long-term energy and economic challenges. The EU energy commissioner Piebalgs warned about an *unsustainable energy path*. According to Piebalgs (2009) “we are heading for a global *energy crisis*. The world is moving on a totally unsustainable and ultimately unrealistic energy path, based on increasing *fossil fuel consumption* and *increasing world population*. The challenges of energy security and climate change call for a new openness in energy policy thinking. We need to think the unthinkable...We must use all opportunities to build up energy diversity and energy cooperation“. Furthermore, the Commission considered the existing growth model based on the use of fossil fuels to no longer be viable in the long run. As Barroso (2007b) explained “Europe is being exposed to increasingly intense competition for global energy resources from other countries, and is becoming ever more dependent on oil and gas imports from geopolitically uncertain regions. This, I fear, is going to be increasingly unsustainable. But there is hope on the horizon. I believe we are now standing on the brink of a Third Industrial Revolution: the Low Carbon Age. We are not there yet. But once again, it is Europeans who are leading the way”. Given the emergence of an organic crisis in the 2000s,

the Commission was thus led to question the viability of the carbon based energy order.

3. Response to the crisis

3.1. The emergence of an ideological energy and climate triangle

Although it could be argued that supply disruptions and environmental disasters helped to accelerate shifts towards a new EU energy policy paradigm focusing on climate, energy security and competitiveness, these shocks and contradictions did not in themselves produce fundamental changes in the EU energy domain. They instead created a terrain more favourable for the dissemination of certain modes of thought and arguments. In other words, they created gaps in EU energy policy which needed to be filled by groups capable of acquiring and leading support for new ways of thinking about energy, climate and economics. According to a neo-Gramscian perspective, the reaction to this organic crisis involved the promotion of ideas for an alternative energy order. As a result, the shocks and contradictions were triggers for the Commission and other actors to link different demands and to promote a new low carbon energy ideology. The concrete ideological frames and narratives of this new thinking will be analysed in the following parts of the chapter, which deal with the war of position and hegemonisation of the sustainable low carbon energy policy order. In the 2000s the energy order based on the use of fossil fuels began to lose legitimacy as new security, economic and environmental shocks and contradictions became serious threats to political and economic stability. The Commission and some other state and non-state actors led the neo-Gramscian hegemonisation towards the creation of low carbon energy order. As was argued by the Commission “The European economy faces a challenge in adapting to the demands of a low-emission economy with secure energy supplies. But the challenge can be met, and it also opens the door to new op-

portunities” (EC, 2008a). The Commission thus took an opportunity to lead the development of a new sustainable low carbon historical bloc.

In developing a low carbon energy future the Commission presented energy and climate as integral policy domains. It argued that there could be no trade-off between the two issues, and that they must be addressed together. As has been pointed out, the historical institutionalist approach informed by a neo-Gramscian perspective suggests that the Commission differs from national governments, not least because it has a path-dependent long-term view on economic growth. In other words, the Commission viewed emerging challenges as potential triggers of a long-term organic crisis. On the contrary from previous energy strategies, the 2006 Green Energy Paper: A European Strategy for Sustainable, Competitive and Secure Energy called for an integrated energy-climate policy which would include climate, security and competitiveness dimensions in the creation of Europe’s low-carbon energy future. Piebalgs (2007b) described Europe’s low-carbon energy future as “A future that reinforces Europe’s competitiveness safeguards, our environmental objectives and ensures our security of supply”. In other words, the Commission pursued its low carbon future by balancing the goals of sustainable energy use, competitiveness and security of supply. The Commission sent a clear signal that all three objectives should be promoted in an integral way. In comparison, in the 1995 Green Paper, the main attention was directed towards liberalisation and market integration. The Commission made it clear in its 1995 energy communication: “Energy policy must form part of the general aims of the Community’s economic policy based on market integration, deregulation...” (EC, 1995b). Moreover, in the 2000 Green Paper the main topic was growing energy dependence and the security of the energy supply (EC, 2000a). The mid-2000s thus saw the Commission begin to develop a low carbon energy and climate strategy which attempted to balance decarbonisation, competitiveness and security demands.

3.2. The promotion of emission cuts, renewables and efficiency

Throughout the history of the EU, energy and climate challenges have been dealt in separate and contradictory ways. In the 1990s the Commission led an unsuccessful attempt to promote a common fiscal regulation within the framework of CO₂/energy tax. In addition, as was argued in the previous chapter, at the end of the 1990s and the beginning of 2000s the Commission tried to take the first steps towards energy and climate integration through a push towards nuclear energy. Moreover, the initial steps in the renewable energy domain were made in 1997 when, for the first time, the Commission adopted indicative targets for renewable energy. Furthermore, with regards to energy efficiency, the first actions were taken in early 2002 with proposals to regulate products, buildings and trade. With regards to all of these policy initiatives, even at the level of the Commission's there was a split between different commissioners and their directorates.

A new integrated energy and climate policy consisted of an emissions cuts, an increase in renewable energy sources and the promotion of energy efficiency solutions. For example, the Commission, in one of its official energy documents explained, "Public opinion has shifted decisively towards the imperative of addressing climate change, to adapting Europe to the new realities of cutting greenhouse gas emissions and developing our renewable, sustainable energy resources. A political consensus has crystallised to put this issue at the heart of the European Union's political programme: a guiding theme for the Union, central to the Lisbon strategy..." (EC, 2008a). The EU Energy Commissioner distinguished these objectives as the main elements of Europe's long-term energy-climate integration. Piebalgs claimed "...to tackle climate change...is closely related to energy. There are two principal ways in which we can achieve this: energy efficiency and the wider use of renewable energy. The EU Emissions Trading Scheme is another instrument which will help to achieve

cost-effective emission reductions in the energy sector and in energy-intensive industries” (Information Daily Staff Writer, 2006). The Commission viewed the integration of energy and climate targets as a long-term strategy for the development of a low carbon energy order. For instance, Barroso (2008b) underlined the broader view and integral nature of the proposal: “The EU's climate and energy package...represents a green *"new deal"* which will enhance the competitiveness of EU industry in an increasingly carbon-constrained world. Moving to a low carbon economy will encourage innovation, provide new business opportunities and create new green jobs”. In other words, the Commission viewed the energy and climate package as a long-term strategy that would generate savings, create jobs and lead to a sustainable future for the planet. In the following parts of this chapter I will explain how the Commission and other actors led war of position in the creation of a new low carbon energy future through material, institutional and discursive strategies.

4. Unity in the Commission and support in the Parliament

Compared with the previous Commission, where there were major disagreements with regards to different long-term visions, the first Barroso Commission worked closely to ensure a successful transformation towards energy decarbonisation. Due to a variety of policy areas the Commission's various departments and agencies had different visions on how EU energy policy should be developed. According to the neo-Gramscian approach, hegemony rests on a broad base of consent (Levy and Egan, 2003). In order to construct hegemonic order at the European level there thus needs to be internal consent and coherence with regards to the Commission's long-term orientation. As was argued in the previous chapter, one of the reasons for the failure to create a pro-nuclear hegemonic order was the lack of unanimity and coherence with regards to the Commission's long-term energy vision. The Commission was not unanimous in the early 2000s when it came to the nuclear option. In order to

create consent and coherence over the energy policy future, the Commission's Secretariat General (SG) led by Secretary-General Catherine Day acted strategically at the organizational and discursive levels. One could argue that Day was the engine behind the low carbon agenda in the Commission (Dreger, 2014). The SG contributed to the creation of a common and coherent energy vision through the use of organizational tactics within the Commission. Referring to the creation of this vision within the Commission, one EU official argued that "Most of the commissioners expressed support towards stronger climate change policy. It took a team effort by the central secretariat run by Secretary General Catherine Day to get an integrated energy policy approach in the Commission" (Interview 3).

At the organizational level, the SG, led by Day, increased its agenda-setting power by initiating significant changes in the decision making structure within the Commission itself. By changing the Commission's organisational work the SG acted in a heresthetical way. Riker (1986) defines agenda setting as a heresthetic strategy through which one could frame debates and construct choice situations. According to Dreger (2014:143) "...the increased prominence of the SG in the climate and energy package coordinations has to be seen in a more general transformative organizational trend within the Commission: the SG...has undergone significant changes...". For example, in order to influence energy and climate policy proposals at earlier stages, before they reach the Cabinets, Day introduced the idea of an "upstream co-ordination agenda. As Dreger (2014:143) claimed "The energy and climate package is a prime example of this shift and was possible one of the most important test cases for the SG itself...Day introduced the idea of an 'upstream co-ordination agenda', which can be defined as a 'conscious attempt to influence proposals at earlier stages'...before the discussion reaches the Cabinets – that is, while the proposal is developed in the services. On high-profile priorities - this gives the SG - and through the

SG, the President to the Commission - the opportunity to decisively influence the political agenda and outcome of the Commission". Moreover, the task of putting different long-term visions into one narrative allowed the Commission to pursue the so called knowledge-utilisation strategy. According to Dreger (2014:144) "SG...relied heavily on a strategy of becoming the 'major brain of the Commission'. The SG and its Secretary General had their finger on the pulse and access to knowledge floating around within and between DGs". Having extended its coordination powers, the SG thus became a mediator between different commissioners and their respected services.

The SG acted as a political entrepreneur in building synergies between different services in the Commission regarding the low carbon policy agenda. As Rifkin (2011:66) pointed out "To her great credit, Catherine Day, responsible for coordinating the various initiatives of the Commission's departments and agencies, was relentless in her efforts to keep the various sustainable development efforts on track, mindful of the need to find synergies and coherency between all of the many projects being pursued". The SG organized various internal events and workshops in order to foster coordination of the low carbon agenda within the Commission. For example, the Secretary-General tried to promote greater coordination by organizing the annual meeting of the European Commission Secretariat-General, with the presence of 23 Director Generals and 600 senior staff of the executive branch of the European Union.

In order to fully utilize its greater agenda setting powers, the SG realized that it needed to rely on a discursive struggle rather than on the power of authority. Day acknowledged that in the process of building a strong and coherent low carbon historical bloc, the main challenge was to move beyond the issue of environment and to incorporate energy security and competitiveness elements into a coherent narrative.

According to Day (2006) “If you look at the whole world environment/sustainable development nexus, I think that it is coming more together...on the energy side, I think you can see that climate dimension is very clearly now mainstreamed into energy policy – we are looking actually to move away from our carbon dependence. But what I do see is that the process is gradually getting better, mixing different parts of the agenda together, and as long as we have the coherent overall framework, it will come together, but it will take time”. Moreover, Jeremy Rifkin, a prominent activist and public speaker, contributed to the mobilization of the low carbon bloc in the EU Commission by providing ideas and insights about the leading role of Europe in the 21st century low carbon revolution. Delivering a keynote address in the annual meeting of the European Commission, Rifkin (2007) insisted that Europe must lead a new *post-industrial* revolution: “The European Commission should establish a Third Industrial Revolution “master plan” and institutionalize a formal operating network made up of the appropriate cabinet secretariats, community agencies, technology platforms, and joint technology initiatives. The master plan should establish joint goals, along with specific targets and benchmarks, with the objective of having a rudimentary”. As a result, the SG, together with Rifkin, played an important discursive role in incentivizing a coherent and unanimous low carbon vision within the Commission.

The momentum towards an integrated low carbon energy policy was generated by close cooperation between Commissioners Piebalgs (Energy), Stavros (Environment), Kroes (Competition), Verheugen (Enterprise and Industry), Potochnik (Science and Research), Almunia (Economic and Monetary Affairs) (Interview 19). These Commissioners and their respective services cooperated in order to put the EU in a leading position with regards to sustainable low carbon energy developments. In addition, the establishing of the High Level Group (HLG) on Competitiveness, Energy and the Environment in the Commission strengthened the collaboration between

different services. The aim of the HLG was to unleash European growth potential by further integrating competitiveness, energy and environmental policies (EC, 2005). The group also examined the links between industrial, energy and environmental policies to make sure those initiatives in each area are mutually compatible. Moreover, high ranking officials in the Commission underlined the importance of growing challenges and contradictions in bringing a common understanding to within the Commission “What happened in the mid-2000s was a combination of things. One, the end of cheap oil happened at that point in time. Secondly, the Russians...shut down the gas pipes in 2006. So I think that added a sense of urgency that was also a real energy security issue out there. Eventually, climate change, energy security and competitiveness dimensions were linked together” (Interview 24). The Commission thus managed to establish a unanimous position regarding the creation of a low carbon energy future.

The climate change agenda was vigorously supported in the European Parliament. In the mid-2000s, Parliament was pro-green, not least because of the strong presence of the Green Party which strengthened backing for the Commission’s initiatives. Moreover, some argue that the Parliament of the mid-2000s was strongly focused on low carbon policy debates. According to one MEP who was actively involved in energy policy discussions and negotiations “a lot of the arguments were focused on green energy agenda. The Green Party together with the main parties played active and prominent role in these debates. You will find that in the middle of the 2000s there was a strong momentum towards low carbon agenda irrespective of the political spectrum” (Interview 15). Furthermore, the EU Parliament, together with the Commission, could be regarded as the institution that is least constrained by the short-term interests of capital. Due to this growing support, the Commission was thus able to lead the formation of a strong low carbon historical bloc.

5. The strengthening of the material foundations of the low carbon energy bloc

Although there were some movements towards green energy development in the EU at the end of the 1990s and the beginning of the 2000s, the material base for a low carbon energy future was weak. The Commission has thus taken some important steps in strengthening the material dimension of its historical bloc. In order to foster the role of sustainable businesses, to incentivise research and the development of green technologies, and to make these technologies competitive and accessible in the market, the Commission initiated various financial support mechanisms. For example, in its Seventh Research and Development Programme (FP7) that was adopted in 2006, the Commission focused on the development of low carbon energy and cost-effective technological solutions. From a total budget of EUR 50 billion, EUR 4 billion was allocated to energy and environmental sectors. Moreover, the FP7 Energy programme included some 30 topics on renewable energies, CCS, smart electricity networks, and energy efficiency. The whole spectrum from fundamental research to applied research and demonstration activities was included (EC: 2011d). In explaining the objectives of the FP7, the Commission pointed out that “The objective of energy research under FP7 is to aid the creation and establishment of the technologies necessary to adapt the current energy system into a more sustainable, competitive and secure one. It should also depend less on imported fuels and use a diverse mix of energy sources, in particular renewables, energy carriers and non-polluting sources” (EC, 2012).

In 2003 the “Intelligent Energy – Europe” (IEE) programme, with EUR 730 million of funds available, was started by the Commission to help organisations improve their energy sustainability through targeting three main objectives - greater energy efficiency, greater use of renewables, and better transport and mobility (EC, 2013a). The aim of the programme was to create better conditions for renewable en-

ergy and energy efficiency. According to the Commission “The main areas covered are energy efficiency, new and renewable resources and energy in transport as well as integrated initiatives which combine several of these or address more than one economic sector at the same time” (EC, 2013b).

In order to accelerate the development of specific renewable technologies, and to find solutions to particular low carbon energy issues, the Commission, together with the renewables industry, TSOs (Transmission system operator) and research organisations initiated several funding programmes. For instance, the TWENTIES programme run by a 26 partner consortium aimed to foster wind energy penetration in Europe. The Commission pointed out that “A major player pushing for a greener future is the EU-funded TWENTIES ('Transmission system operation with large penetration of wind and other renewable electricity sources in networks by means of innovative tools and integrated energy solutions') project, which will help pick up the pace of new wind power technologies across Europe” (EC, 2010b). In addition, the renewables industry and research universities and institutions were also involved in solar energy research and development initiated by the Commission. The DiGesPo project planned to incorporate small thermodynamic solar powered and hybrid system into residential buildings in order to generate heat and electricity (Digespo, 2013). The Commission thus sought to accelerate innovation in energy technologies by helping these European industries turn the threats of climate change into new investment opportunities.

6. Actions at the institutional level

The Commission tried to stabilise and perpetuate a particular order at the EU institutional level. In other words, the Commission attempted to institutionalise a sustainable low carbon future into a specific set of rules and regulations that were incorporated in the EU energy and climate package which was proposed by the Commis-

sion in 2006. According to Skjaereth (2013:19) “Favourable external and internal conditions for linking energy and climate policies had placed the issue firmly on the Commission’s agenda”. With this energy and climate package the EU realisation of low carbon economy gained considerable traction. As has been argued: “The package of measures proposed by the European Commission represents a coherent and comprehensive path to preparing Europe for the transition towards a *low-emission economy*. Measures are designed in a way so that they are mutually supportive. They offer the right way to maintain the momentum and deliver on Europe's ambitions for climate change, energy security and competitiveness” (EC, 2008a). Moreover, the promotion of the 2008 energy and climate package was seen as a response to new post-Kyoto targets, especially given the new rounds of international negotiations. A high-level Commission official who was involved in the negotiations explained that the continuation of the Kyoto process had an influence at the beginning of the war of position “The Kyoto Protocol indicated that seven years before the targets would end (in 2012), the negotiations would start on the second phase of targets. That was November 2005 and it was agreed to start new negotiation process of post 2012 targets. But the EU had no position of what should these targets be. So the Commission took up the task in 2005 to have a paper to define of what it could be. What could be our position in international negotiations? Of course the thinking in the Commission was that in order to continue our international leadership in climate change area, first, we should show an example and adopt a very ambitious targets at home” (Interview 27). The main objective of the package was to adopt the so called “20 20 20” targets: A 20% reduction CO₂ emissions from 1990 levels; raising the share of renewable resources to 20%; and a 20% improvement in the EU's energy efficiency (EC, 2008a). According to Barroso “This package represents an opportunity for Europe to show itself at its best. Tackling an issue of fundamental long-term importance. Using the

EU's continental scale to best effect. Turning political consensus into practical action” (Barroso, 2008a). The Commission therefore proposed the EU energy and climate package to as an instrument to institutionalise the new energy order. In addition, the adoption of the 2008 package was seen as the first manifestation of Europe’s leadership in the low carbon policy area.

7. Discursive strategies and the role of civil society

In its ideational war of position, the Commission and the low carbon energy bloc encompassed different interests and linked together a range of demands into a project that publicly contested the unsustainable carbon-based accumulation regime. The political logics of poststructuralist theory could help us to track how the issue of energy policy was repackaged in order to reflect the more universal character of the change required, i.e. to convince the public that our economic potential is at stake if there are no changes in the way that we generate energy and fuel. The aim was to show that the actions envisaged in the EU energy and climate package could tackle the environment, security, and competitiveness challenges facing EU energy policy. The political logics approach can shed light on how different demands were linked, different discourses created and articulated, and how economic, political and social differences were mitigated in the name of a sustainable low carbon future. In a war of position, the Commission, together with other players, thus gradually began to build a discursive historical bloc.

The Commission underlined that actions on renewable and efficiency promotion could help to tackle three energy policy challenges: climate change, competitiveness and energy security. First, the promotion of renewable energy was linked to the reduction of greenhouse gas emissions. As was argued by the Commission: “The renewable energy target is closely linked with our greenhouse gas emissions target. Without significantly increasing the share of renewable energy in the EU's energy

mix it will be practically impossible to meet the EU's objectives for reduction of greenhouse gas emissions” (EC, 2008b). Moreover, this narrative underlined the importance of renewables for energy security, especially in terms of reducing volatile energy imports. According to the Commission “From a security of supply perspective, EU renewable energy is mostly generated in the EU. This means that it is less subject to supply disruptions and mitigates fuel price increases. It makes sense, therefore, to produce more of our own energy, and from a growing variety of renewable energy sources. A diverse supply of energy is a more secure supply of energy” (EC, 2008b). The Commission thus promoted renewable energy as a solution to climate and energy security challenges.

The Commission argued that investments in the renewable energy and energy efficiency domains would help to promote economic growth and the competitiveness of the European economy. As was explained, the “...change offers a stepping stone to modernise the European economy, orientating it towards a future where technology and society will be attuned to new needs and where innovation will create new opportunities to feed growth and jobs” (EC, 2008a). In addition, the “*first mover*” metaphor, focused on *economic benefits and innovations*, was promoted in order to justify decisive changes in the energy order. According to Dobrev (2013:285) “The first-mover advantage (FMA) is a metaphor that is often evoked to summarize a variety of factors that may contribute to the positive economic performance of early entrants in new or substantially reorganized markets and industries”. In other words, the Commission stressed that Europe’s leadership in producing renewables and green energy technologies would bring positive long-term economic benefits. An official from DG Climate Action pointed out: “Climate change will not go away. You can delay your actions or even ignore, but climate challenges will not disappear. So the question we faced was do we want to be the first mover? And the Commission said that the EU

should be the first mover. At the very beginning we saw the benefits in doing things first. The development of these low carbon technologies domestically increases our long-term competitiveness” (Interview 23). The Commission therefore focused on innovation in order to justify the argument that actions in the low carbon area would strengthen European competitiveness and provide growth opportunities.

At the discursive level, the low carbon energy bloc attempted to build support for a further expansion of green energy ideology. The bloc employed an array of discursive actions. As was explained in the previous section, the Commission aimed to bring different players (capital groups, research organisations) together in a discursive coalition that would provide a unanimous ideological narrative of the low carbon energy future. In addition, the Commission began to build networks of support for its low carbon energy future. For example, the Covenant of Mayors (CoM) network was launched to bring together regional and local authorities in support for a common low carbon energy policy orientation. Introducing the policy initiative, the Commission made it clear: “The Covenant of Mayors is the mainstream European movement involving local and regional authorities, voluntarily committing to increasing energy efficiency and use of renewable energy sources on their territories” (Covenant of Mayors Office, 2013). One of the key objectives of this initiative was to spread the message of low carbon developments and to raise public awareness through the conferences and thematic workshops on issues such as energy efficiency, the use of renewable energy sources, and links between energy and climate change (Covenant of Mayors Office, 2013). It should be pointed out that, with the introduction of the CoM movement, the Commission mobilised local and regional actors to fulfil EU low carbon objectives. Moreover, the Sustainable Energy Week (EUSEW) has become a platform through which various players, including public authorities, energy agen-

cies, private companies, NGOs and industry associations meet together to discuss future energy and climate guidelines (EUSEW, 2006).

Civil society groups contributed to the formation of the low carbon energy order by strengthening its ideological dimensions. The strength and success of the war of position rested on the active participation of civil society groups which helped to consolidate the low carbon energy bloc. Civil society tries to create the consensual legitimacy that the historical bloc needs by emphasising the issues of ethics, morality and justice. Moreover, these groups help to transmit certain modes of behaviour, expectations and values within society, which are consistent with the hegemonic order (Cox, 1983). For example, in the war of position, the low carbon historical bloc led by the Commission engaged with civil society groups in order to enhance the legitimacy of transition towards a low carbon energy future. For this reason, on the initiative of President Barroso, the Commission organised an informal dialogue that brought together twenty high-level representatives of various religions, i.e. the leaders of Christianity, Judaism and Islam in Europe. The meeting “Climate change: an ethical challenge for all cultures” focused on the ethical and moral issues of climate change (EC, 2008c). During the meeting Barroso called for active participation of the church in spreading the message of a sustainable low carbon future. According to the President of the European Commission “Climate change obliges all of us to take urgent action. Each part of civil society must contribute to ensuring a sustainable future of our planet. Thanks to their outreach and role in our societies, religions and communities of belief are well placed to make a valuable contribution in mobilising them for a sustainable future. Let's unite in our common endeavour...” (EC, 2008c). In addition, the President of the European Council added: “The environment is not only natural but also a sacred place. Climate change requires us to rethink how we channel imagination, ingenuity and entrepreneurship into creating a world, free of dependence

on fossil fuels, and yet prosperous and connected as never before” (EC, 2008c). Moreover, H.E Anders Harald Wejryd, Primate of the Lutheran Church of Sweden, added that religion has a duty to engage in combating climate change, since this issue raises questions of morality, justice and equity. (COMECE, 2008).

The Catholic Church acted in several areas. First, the Commission of the Bishops' Conferences of the European Community (COMECE), an organisation of Roman Catholic bishops in Europe, organised conferences and seminars both with the public and the EU officials, set up expert groups, and provided certain discursive frames. For example, in their plenary assemblies in 2008, the COMECE together with the leaders of EU institutions discussed the implementation of ambitious policies to address the issue of climate change. Moreover, the COMECE Bishops set up a reflection group on “*Climate change and Christian Lifestyle*” chaired by the former EU-Commissioner Dr. Franz Fischler. This group presented a report which underlined that climate change raises the question of *survival* for a large part of mankind, that strong political leadership is not enough, and that ethical debates are needed to win over not only the minds but also the hearts of citizens, and thus convince them to distance themselves from certain lifestyles (COMECE, 2008). The church and its organisations targeted the symptoms of unsustainable ways of life, modes of production, and patterns of consumption. The COMECE report on climate change argued that “The Catholic Church and all the Christians are best placed to propagate such changes in lifestyles, through concrete proposals and by their modest examples” (COMECE, 2008). Religious leaders thus have acted as a platform to spread low carbon culture.

Environmental organisations played an important role in promoting the low carbon energy order. The influence of these groups in the EU stems from their ability to represent public opinion and the concerns of European citizens. As one EU official

pointed out “maybe environmental NGOs have less direct access but for example if all of the main NGOs so let’s say Friends of the Earth, Greenpeace or WWF are saying the same thing and saying it together and vocally, then there is a fear that if you are being criticised by all three of these groups at the same time – it becomes difficult to sustain the legitimacy of certain policies or inaction in the eyes of the public” (Interview 3). The largest environmental groups, such as Greenpeace, Friends of the Earth, and the WWF, acted across three different domains: the provision of ideological influence, cooperation with other players, and the organization of public campaigns. Although acting in different ways and with different tactics, environmental NGOs often collaborated with each other within the framework of Climate Action Network Europe (CAN), the largest umbrella group of environmental NGOs supporting the transition towards a sustainable low carbon energy regime. A high-level official from one of these environmental groups stated: “WWF has been closer to big businesses because of different partnerships it has. As for the Greenpeace, they almost have no connections with big business. Trying to influence big businesses to tackle their environmental footprint, we shared that intelligence with Greenpeace which had more activist role by moving masses, activating a lot of campaigners and speaking in different way about some of the same topics. We all worked collaboratively. Even if the approach was different the end goal has always tend to be the same thing, a goal to foster the emergence of low carbon future. We saw the benefits of different positions and we tried to maximize them” (Interview 5).

The environmental NGOs tried to provide ideological support for the low carbon bloc, as well as generating a positive or negative atmosphere with regards to particular actions or inactions by publishing reports and organising meetings, workshops, seminars, and conferences. For example, following the sequence of environmental issues in 2005, some NGOs took the opportunity to name and shame inadequate Eu-

ropean climate policies and to argue for stricter and more efficient actions. The WWF scholarly report, *Climate Change and Extreme Weather Events in Europe*, stated “Many parts of Europe are now suffering from extreme weather events. Countries and communities are crying out for help. Is this the Europe of the future...? Summer 2005 should serve as a strong call to the European leaders that the best way to ensure that disasters become less frequent and less extreme in the future is to cut greenhouse gas emissions”. (WWF, 2005b). Furthermore, these NGOs argued that an increase in energy security, a reduction in energy imports, and growth in jobs and the economy, are achievable through a low carbon policy orientation. Greenpeace stated that “Europe's energy policy is at a crossroads. Important issues are at stake; energy security, stability of supply, growing demand, the risks of nuclear power, employment opportunities for thousands and the urgent need to cut emissions and head off climate change. An answer delivering sustainable, cost-effective and secure energy is within reach: energy savings and renewable power” (Greenpeace, 2010).

Some environmental NGOs cooperated with business in order to amplify their arguments and persuade certain capital groups to reduce their CO₂ emissions. According to an energy expert from one of the largest environmental NGOs in Brussels: “We understand if only NGOs are saying one thing that is only going to have a certain amount of influence. But if NGOs and businesses are saying similar things then it carries more weight”. (Interview 1). For instance, Greenpeace in cooperation with the European Renewable Energy Council (EREC), the main renewable energy businesses association in Europe, published “Energy [R]evolution”, an influential and respected report which underlined the importance of low carbon energy in the creation of a secure, sustainable and economically prosperous energy future (EREC, 2008). Moreover, the report emphasised the importance of reducing dependence on volatile and insecure energy imports by investing in renewable energy. As was stated in the report

“Other fuel prices have also shot up. Coal, gas and uranium have doubled or even tripled in the same timeframe. By contrast, most renewable energy sources don’t need any fuel. Once installed, they deliver energy independently from the global energy markets and at predictable prices. Every day that another community switches to renewable energy is an independence day” (EREC, 2008). Furthermore, arguments provided by civil society groups such as WWF and the European Trade Union Confederation (ETUC) underlined the potential of renewable energy and other green technologies to create jobs and to foster economic growth. This was partly an attempt by civil society groups to negate economic costs argument which were often raised by opposing players. For example, the WWF, in its position statement on the Jobs and the Climate & Energy Package, pointed out that the EU energy and climate package of policies may indeed foster job creation: “Overall...the move towards greener options would be beneficial for the EU economy due to the longer supply chain and higher labour intensity of the environmental-friendly sectors...The EU’s climate package is a good combination of policies that can deliver ‘win-win’ and mitigate negative spillovers. The EU can improve the probability of creating new labour markets” (WWF, 2008). In their partnership with business, civil society groups thus sought to enhance the creation of a low carbon bloc.

Civil society groups tried to bring together progressive energy companies to persuade them to include climate factors in their production costs, and to adopt a low-carbon discourse in their communication strategies. For example, initiatives such as the Climate Savers were developed in order to engage with business and industry on climate and energy, to inspire change in their thinking and ideology regarding climate solutions, and to encourage business groups to transform into low-carbon leaders (WWF, 2013a). In addition, the Power Switch campaign organised by the WWF provided opportunities to inspire a change in thinking about climate solutions among

companies, as well as enabling them to act as agents of ideational change within their spheres of influence. In other words, the aim was to showcase work being done and profile champions of climate action through the traditional media, webinars, videos and social media (WWF, 2005a). On the other hand, business has increasingly sought coalitions with NGOs as a source of legitimacy. Fuchs (2007:145) claimed “The support of civil society is especially important since public opinion can play a determinate role”. Environmental groups therefore played an important role in trying to attract more players into the low carbon energy bloc.

Environmental NGOs supported a sustainable low carbon war of position by campaigning and representing certain strands of opinion that were not necessarily promoted by anyone else (Interview 10). For instance, in 2009, more than 300 Greenpeace activists were arrested for blocking the exits to the Council of Ministers' building in Brussels where EU financial ministers were gathered to discuss issues regarding climate change funding. They demanded that action was taken against climate change (Greenpeace, 2009). In the Gramscian account, the historical bloc is likely to be weak without roots in civil society (Cox, 2006). Civil society groups were engaged in the process of campaigning, helping to increase public awareness of the challenges of climate change, developing and legitimising certain ideational frames, and bringing different groups together. In other words, civil society groups tried to raise European public awareness about the dangers of climate change. Public concerns in the EU about the dangers posed by climate change have been growing significantly throughout the 2000s. The results of the 2008 Eurobarometer survey “Europeans’ attitudes towards climate change“ revealed that climate change has become a major concern for EU citizens. More specifically, 62% felt that “global warming/climate change” is among the most serious problems facing us (EC, 2008d). The public was more concerned about climate change than about other problems such as “interna-

tional terrorism”, “armed conflicts”, and “a major global economic downturn” (EC, 2008d).

8. The role of organic intellectuals

In the neo-Gramscian tradition organic intellectuals contribute to solving collective action problem by providing motivating myths that create a collective will among the group aiming for transformation. They help to transcend particular forms of common sense and to create another that is closer to the leading group. According to Cox “Intellectuals play a key role in the building of an historical bloc. They perform the function of developing and sustaining the mental images, technologies and organisations which bind together the members of...an historical bloc into a common identity” (Cox: 1996:132). In this research I use the concept of organic intellectuals more broadly emphasising primarily their organising, educative and stimulating powers in establishing a justificatory framework for change rather than their organic linkage to certain social class. Organic intellectuals such as academics, scientists, energy experts, climate activists provided certain myths and other rhetorical elements in order to strengthen the ideological dimension of low-carbon transformation. These intellectuals helped to overcome a collective action problem by promoting certain motivating myths regarding a low carbon energy future.

The US economist and social theorist, writer, and political advisor Jeremy Rifkin could be regarded as one of the organic intellectuals that helped to organize the low carbon bloc’s collective will through the development and transmission of a wider myth of a *third industrial revolution*, or the creation of a post-industrial revolution, led by the EU. As Rifkin (2011:2) pointed out “...the Third Industrial Revolution will create thousands of businesses and millions of jobs, and usher in a fundamental reordering of human relationships, from hierarchical to lateral power, that will impact the way we conduct business, govern society, educate our children, and en-

gage in civic life". The Third Industrial Revolution was promoted as a unifying myth to encompass the diversity of interests of the low carbon bloc. Rifkin described the third industrial revolution as a plan that would not just allow us to avert the catastrophic consequences of climate change, but also to reinvigorate Europe's economic future. According to Rifkin (2011:6) "The Third Industrial Revolution offers the hope that we can arrive at a sustainable post-carbon era by mid-century and avert catastrophic climate change. We have the science, the technology, and the game plan to make it happen. Now it is a question of whether we will recognize the economic possibilities that lie ahead and muster the will to get there in time". Rifkin distinguished the role of the EU in bringing the energy revolution to reality: "It is time to address the energy crisis and turn it from adversity to an economic opportunity. Europe created the first industrial revolution...Europe can make the third one. We can all work together with politicians, companies and NGOs. But we have to believe in it because we can make a change" (cited in Euractiv, 2008a). The call for a new industrial revolution resonated positively with the European Commission. For example, Crooks (2007) stated that "Jeremy Rifkin is nothing if not provocative. His vision of a "third industrial revolution" in energy use has brought his ideas to the heart of power in the European Union. Jose Manuel Barroso, the European Commission's president, used the phrase in a speech in Madrid last month. Other EU leaders have been picking up on the theme, most notably Angela Merkel, the German chancellor". After the meeting with the President of the EU Commission, Rifkin argued that "President Barroso has been very aggressive on moving towards the third industrial revolution. The meeting between Barroso and hydrogen, construction, scientific and industry leaders, as well as political leaders...I spent a long time with each of them to explain that we have to turn this from a punishment into an opportunity" (cited in Euractiv, 2008a).

Rifkin and his narrative of the third industrial revolution therefore contributed significantly to the consolidation of the low carbon bloc.

Lord Nicholas Stern, an academic from the LSE, is another organic intellectual who helped to strengthen the collective will of the low carbon bloc, and increase feelings of solidarity by promoting a motivating idea about the benefits of early action on climate change. In his review, Stern presented scientific evidence about serious global risks caused by climate change and called for an urgent global response to tackle these new challenges. Moreover, the Stern review for the first time provided comprehensive economic arguments calling for early action against climate change: "...the benefits of strong, early action considerably outweigh the costs...Tackling climate change is the pro-Growth strategy for the longer term, and it can be done in a way that does not cap the aspirations for growth of rich and poor countries. The earlier effective action is taken, the less costly it will be" (Stern, 2006b). Stern's arguments were widely accepted and used to justify the move to a low carbon energy future. It was a powerful argument that created solidarity within historical bloc about the need to act urgently. Stern's argument became a point of reference for many players as it was widely used in the Commission's studies, member state's positions, and NGO and business reports. In other words, Stern's analysis enabled the low carbon historical bloc led by the Commission to pursue a unified economic argument. It was argued that, in terms of long-term growth and the competitiveness of the European economy, it would be more beneficial to make the necessary changes sooner than later. Stern was thus able to reconstruct one of the main economic arguments which has since been used by the low carbon bloc to establish a justificatory framework for the transition towards a low carbon future. As was argued by a high-level official in the Commission: "Stern opened political debates and showed that the way economists traditionally treated climate change and the way they compared costs over the longer

term was not sound. Stern explained that the way some of the economist treat costs-benefits analysis just does not work. Stern Report opened up very interesting debates around that” (Interview 23). Stern could thus be regarded as taking the role of a neo-Gramscian organic intellectual in providing an alternative cost-benefit analysis that strengthened the ideological force of a new sustainable low carbon historical bloc.

The Commission used Stern’s arguments to counter the proposition that investment in a low carbon future would lead to higher energy prices. His analysis helped to create a narrative of urgent action and to divide arguments regarding costs into two different dimensions: short-term and long-term. In other words, by adding a long-term comparative costs dimension, the Commission wanted to justify higher energy prices in the short-term. According to Piebalgs (2007c) “future price hikes are inevitable. If we do not pay this 5% now, we will pay later 20 or 50% more because of the oil prices going up. It is quite clear that given the current rate of consumption and reserves, it cannot be that in five years’ time we will have oil prices at \$60 per barrel, forget about it! For gas prices, it is the same”. As a result, the Commission argued that the benefits of early and strong early action would considerably outweigh the higher short-term costs.

Gramsci argued that every relationship of hegemony is necessarily an educational relationship. Organic intellectuals provided evidence of the seriousness of climate change in order to establish a justificatory framework for change. In 2007, the Intergovernmental Panel on Climate Change (IPCC), together with Former U.S. Vice-President Al Gore, were awarded the Nobel Peace Prize for their efforts to accumulate and disseminate greater knowledge about man-made climate change, and to lay the foundations for the measures needed to counteract such change (The Nobel Foundation, 2007). In 2007 the IPCC provided the most detailed summary of the climate change situation ever undertaken. The report was very influential among different

actors which often cited certain parts of this document in their public pronouncements. Furthermore, Gore's work had an important ideational influence. His movie *An Inconvenient Truth*, which won many international awards, had a significant educational role in spreading the climate change agenda, not only in the EU but also globally, and contributed to the struggle for a sustainable low carbon order. Gore's movie helped to develop and demonstrate visual and mental images of the multi-dimensional effects of global warming, as well as to legitimise a variety of actions against climate change. The educational character of the movie was confirmed by the fact that it became a part of the school curricula in countries such as Germany, Spain, the UK, the US, and Canada. The movie was well received in Europe, and European political leaders praised Gore for his leadership in building awareness of the impacts of climate change. Dimas acknowledged that "The fight against climate change is now rightly recognised as a strategic priority by the European Union.... Within the space of a few short months, the Stern Review, Al Gore's film *An Inconvenient Truth*, the latest IPCC report and not least the warmest winter on record have triggered a public and political awakening" (Dimas, 2007).

A significant role was played by Denis Tirpak, Bill Hare and other climate scientists who, in 2005, gathered for a scientific symposium on the stabilisation of greenhouse gases organized in the UK (Defra, 2005). This group of climate experts, who could be regarded as organic intellectuals, changed the discussion on the "safe" atmospheric concentration of greenhouse gases. From this time onwards everybody in the Commission, member states, and civil society began to talk about the need to keep to the 2C degrees target. There were no politicians in the Commission, member states, or non-governmental organisations who did not refer to this widely accepted limit. In other words, the 2C degrees storyline became embedded in low carbon discourse. Discussing the increasing role of the 2C degrees discourse for energy and

climate integration, a high level energy official in the Commission pointed out that “the 2 degrees limit came with extremely warning discussion how to avoid climate catastrophe. The feeling around 2007 and 2008 was that if we do not act now, it would be too late. This feeling was very strong. Colleagues from energy house had a lot of discussions on these issues with people in the environmental directorate. The consensus that energy and climate needs to be approached in urgent and coordinated way was very strong at that time” (Interview 20). Organic intellectuals thus had an influence on discussions regarding the limits of atmospheric concentration of greenhouse gases.

Some organic intellectuals promoted a peak oil metaphor to increase anxiety regarding energy security. For example, from 2006, the International Energy Agency (IEA) began to produce warning reports about the challenges meeting the balance of oil supply and demand in a short-term future (IEA, 2006). In other words, the IEA triggered the “*peak oil*” narrative which had a significant effect on EU energy policy debates. The IEA chief economist Fatih Birol explained “I think we should leave oil before it leaves us. That should be our motto. So we should prepare for that day - through research and development on alternatives to oil, on which living standards we want to keep and what alternative ways we can find” (Schneider, 2008). According to Chevalier (2009:25) “In a time of tight supply, high and volatile prices, anxiety about security of supply and environmental concerns, the “peak oil” debate is raging”. The “peak oil” discussion therefore helped to strengthen the ideational narrative of the low carbon bloc by increasing the urgency to pursue an alternative to the fossil fuels energy order.

9. Strategic political moves: heresthetics and building support in the Council

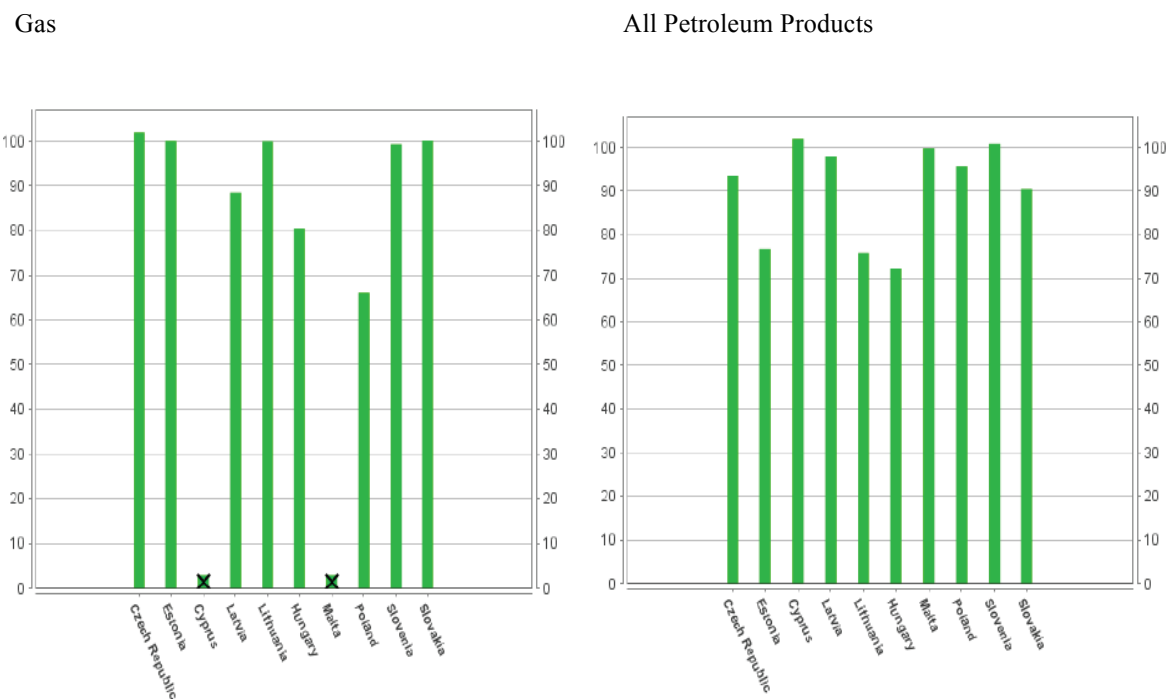
The Commission had strong support for its low carbon leadership in the Council of Ministers. However, the EU is not a state and the Commission is not a

government in a state-centric way. In order to establish historical bloc, the Commission thus had to act strategically, not only by analysing the situation in the Council but also by using its agenda setting power, technical expertise and by forging coalitions between like-minded players. Referring to the energy domain, Day (2006) argued that “the Commission is being quite skilful in using its expertise and capturing the political will, like on energy for example...I think now a combination of internal and external factors have brought us politically to the point to seeing that we want to have a common approach. And the Commission’s technical expertise as well as its policies now comes into play”. It could be argued that the Commission was looking for an opportunity to promote its long-term agenda. As Day (2006) stated “one of the strengths of the Commission has been, and will be in the future, our ability to think about 15-20 years’ framework – which most member states have great difficulty with. They have a much shorter political attention span. We are trying to deal with the *long-term issues...*”.

The Commission acted strategically and used heresthetics in order to strengthen its institutional power and to acquire more support from other groups. According to Shepsle (2003:309) “Politicians frame the evaluation of outcomes by others in order to improve the chances of the ones they most desire — they seek...to alter agent preferences”. Heresthetics is achieved by the use of a variety of strategic devices, including the manipulation of certain dimensions. One could argue that, in the context of enlargement, the Commission attempted to strengthen institutional support for the 2008 energy and climate package by coherently linking the adoption of legislation with the issue of energy security. As some energy experts have argued: “The enlargement constitutes an important input to the EU energy policy decisions. The enlargement...broadens the spectrum of the energy security preoccupations related to energy security...” (Belyi, 2003). Those states which joined the EU in 2004 were ex-

tremely vulnerable in terms of energy security, and were worried that total dependence would increase economic and social development risks. In addition, some new member states relied on one (often unpredictable) energy supplier, i.e. a monopolist which could dictate prices and supply conditions. Figure 8 shows the gas and petroleum dependency rates of the countries which joined the EU in 2004. The graph shows that these member states had significant dependency rates (and thus energy security vulnerabilities).

Figure 8. The level of energy dependence in 2002: from 0 (no dependence) to 100 (absolute dependence)²



Source: Eurostat, 2002

As we can see from the graph, in terms of gas dependency, the Czech Republic, Estonia, Lithuania, Slovenia, and Slovakia were almost 100 per cent dependent. In terms of dependency on petroleum products, Poland, Slovenia, Malta, Latvia, Cyprus, and Czech Republic were considered to be the most vulnerable. Furthermore,

² There is no information about *gas dependency* for Cyprus and Malta because at that time neither of these states imported gas.

these countries had faced serious supply problems in the past. For example, the 2006 and 2009 Russian-Ukrainian gas crises affected most of the countries in Central and Eastern Europe. In the context of growing energy security challenges and energy and climate discussions, the Commission manipulated the decarbonisation policy dimension by bringing to the fore the issue of security of supply. The Commission tried to get some new member states on board, especially those which were less preoccupied with climate issues, like Poland and other Central and Eastern European countries, by linking the adoption of the energy and climate package with energy security. For example, due to its significant reliance on coal, Poland was not willing to accept new climate targets. In other words, the Commission figured out that it could alter the preferences of certain member states, and strengthen its hegemonic bloc, by making the security dimension of the low carbon agenda more visible. In order to strengthen support in the Council, the Commission proposed to EU member states a sort of climate/security trade off, i.e. to accept climate issues if they want their concerns over security reflected in Europe's future energy agenda. Given the 2006 and 2009 gas crises and deteriorating relations with the Russian Federation, the largest exporter of oil and gas to the European Union, some countries saw the situation as an opportunity to get at least some energy security guarantees instead of nothing at all. In addition, discussing the adoption of the 2008 energy and climate package, Barroso acknowledged that the linkage was used as a strategic manoeuvre to expand support in the Council: "Coal and steel was to reconcile the former enemies, Germany and France ...Honestly, some countries in Europe were not so enthusiastic in the agenda about climate change, but they were concerned about energy security. So we linked both. If the Commission had just proposed a climate change agenda, it would be very difficult to have consensus" (Euractiv, 2009). As a result, the Commission attempted to strategically manipulate the EU energy agenda by repackaging the issue of energy policy.

10. Growing support in the Council

Growing support from EU member states strengthened the Commission's leadership in the war of position. First, as has been argued, by heresthetically manipulating energy security and climate issues the Commission managed to strengthen its low carbon energy bloc. Support for long-term EU energy policy was reflected in the changing attitudes of the most powerful EU countries. An official who worked in the Council of Ministers at that time explained "... it was good politics. Economy was in good shape at that time; people were not worried about that. And it was a space for politicians to think about long-term, how to improve the things that they were doing. The momentum of political backing for anything the Commission did on energy and climate was huge. It was Chirac in France, Merkel in Germany, and it was Blair in the UK" (Interview 13).

Although one could argue that positive economic conditions played a role, we should not however neglect the importance of structural constraints in explaining the growing support for low carbon from certain member states. In order to explain this growing support, the relationship between the energy industry and capital accumulation must be considered. Beginning in the 2000s, the changing attitudes of the largest oil and gas industries, and other energy corporations, with regards to green energy investments was an important structural factor contributing to growing low carbon support. Moreover, these industries were strategic sectors responsible for successful capital accumulation in certain member states (Meckling, 2011). According to some renewable energy analysts "...industry's investments represent pragmatism, since oil companies see that long term they won't be able to meet demand with conventional oil and gas. Oil companies...don't want to...wake up one day to find the renewables world exploding with profits they aren't sharing. We're not talking about oil companies turning into green activists. It's tied to their view that this is economically ration-

al” (Wells, 2012). In addition, Hauvel et al. comprehensively explained changes in the structure of the European market: “Developments in the international energy markets and the changing policy environment in the 1990s dramatically changed Europe’s market structure. It changed at both the member state and European levels” (2010:18). These changes occurred because of several internal and external factors. First, in the 1990s, the major energy companies suffered massive blows to their profits because of a protracted period of falling oil prices. Losing billions from their profits, some of these companies decided to diversify their portfolios of energy investments. In other words, these corporations saw an opportunity in a multi-energy strategy and green energy agenda. The Clingendael report supported this argument: “A generation portfolio that consists of several sources seems to be attractive because it spreads the risks and enables a switch to other sources when needed” (Hauvel et al., 2010:35). Second, some companies invested because European targets and incentives stimulated a high demand for renewables. Some argued that “...the green agenda offered new opportunities for growth” (Hauvel et al., 2010:24). Third, due to growing public concern about the environment, and the Commission’s strong commitment to supporting decarbonisation policies, some industry players wanted to build a new green image for their corporations and industries. Newell and Paterson (2010:51, 52) explained “Climate change is being mainstreamed into the business strategies of leading companies as part of a broader shift from...a “compliance model“ to an “accountable business“ model, where the court of public opinion is as decisive as the court of law once was in driving business response”. Since the beginning of the 2000s the largest oil and gas corporations in Europe, and the largest utilities, have intensified their investments in renewable energy projects. According to Wells “On the way to a renewable energy future big oil companies has become the biggest investor in the

race to create green fuels. In the last decade, the industry says, it has put \$71 billion into zero- and low-emission and renewable energy technologies” (Wells, 2012).

The objective to respond to new challenges led companies such as British Petroleum (BP) to invest in low carbon energy projects and to seek to change their public image. For example, in 2000 the company changed its name to Beyond Petroleum in an attempt to win over environmentally aware consumers (BBC, 2000). As BP CEO John Browne explained “It is about new future. You make such decisions once in a while to bring it more in tune with the thinking of that time” (BBC, 2000). For example, BP has invested \$7 billion in alternative energy since 2005 (BP, 2013). In addition, from 2005, BP’s alternative energy division grew from several hundred to 5000 employees (BP, 2013). Furthermore, BP expressed support for the adoption of the EU energy and climate package (Conn, 2008). In the mid-2000s the other giant fossil fuel corporation, Royal Dutch Shell, created a renewables division and made considerable investments in the solar and wind sectors. Discussing Shell’s decision to invest in the green energy sector, some energy experts acknowledged that the company could not afford not to invest because they saw opportunities to make more money in these sectors (Wells, 2012).

BP and Dutch Shell are important companies for the British and the Dutch governments in terms of tax payments, employment, energy production, and national pride. Moreover, as was argued in the last chapter, the UK economy depended on BP revenues due its pension fund investments in the company (BBC, 2010). Furthermore, Royal Dutch Shell is the largest private company in the Netherlands by revenue and one of the largest in the world. Given the structural importance of BP and Royal Dutch Shell for successful economic growth, it is not surprising that the British and the Dutch governments became one of the leaders in calling for a sustainable low carbon energy future. The UK together, with the Commission, proposed a long-term

vision for energy policy, i.e. sustainable low carbon energy for long-term economic growth. Furthermore, the Dutch Prime Minister Jan Peter Balkenende supported a low carbon energy future. In a collective letter to the European Summit in Finland, the leaders of the UK and the Netherlands stated that time had come to deal with climate change and future energy security in an integral way, as "*climate security*" (Watt, 2006). Green investment decisions made by the largest energy corporations thus had structural impact on the UK and Dutch low carbon positions. In the following chapter, I will elaborate how, in the light of changing economic conditions, Shell and BP began to move away from green industries back towards fossil fuel oriented investments.

Similar moves in the low carbon energy sector were seen in France and Germany. Since the 2000s, large French energy corporations such as EDF, GDF Suez and Total invested heavily in low carbon energy projects. For example, in 2004 EDF formed its renewable energy subsidiary to develop wind farms and solar energy projects. Moreover, in the 2000s, the French oil and gas company Total spent billions in solar energy investments. The largest German energy corporations also undertook green energy investment strategies. Since the formation of a green energy department in 2007, the largest energy utility in Germany, Eon, invested more than 9 billion EUR in low carbon energy. The objective was to reduce the costs of renewable generation and make it more competitive. One could argue that these decisions to foster low carbon investments by the largest energy corporations companies had a structural influence on the positions of both the German and French governments. For instance, Merkel called for an integrated climate, energy and growth policy, "...we know that secure energy supplies are a particularly important element of a secure economic future. In other words, we need reliable, affordable and sustainable energy. Of course, the issue of climate protection is directly linked to this issue. Both are important *en-*

gines for growth” (Merkel, 2007). One Brussels’s insider explained: “I think that is correct that the UK had a very vocal role with regards to climate change incorporation into energy policy but I think that Germany probably had a very strong influence behind the scenes. The fact that these two were standing together on a given issue was a very important factor that allowed the Commission to be more vocal in its long-term policy orientation” (Interview 16). Furthermore, chairing the Presidency of the European Council in 2008, the French government called vigorously for a reduction of European greenhouse emissions in order to combat global warming, for the diversification of sources of energy, and for greater security in energy supplies across Europe (Vaise, 2008). Growing support in the Council, from at least by some member states, was therefore generated by shifts in the positions of the largest energy corporations.

11. First steps towards a low carbon hegemonic order

The symptoms of organic crisis described in this chapter opened up a space for the Commission to pursue the hegemonisation of its alternative low-carbon energy policy. Policies based on carbon sources of energy ceased to be regarded as sustainable models for the future. As a result of the war of position led by the Commission since the 2000s, one can see at least the first signs of the emerging low carbon hegemonic order. According to the neo-Gramscian account, hegemony refers to a condition of “relative stability” within the dynamic structures and forces operating at multiple levels within society (Cox, 1987). During the second half of the 2000s, the integration of climate, energy and competitiveness objectives into a low carbon energy policy was seen as an indisputable objective. The Commission, and other players waged, a war of position at the material, institutional and ideational levels in order to repackage EU energy policy in a hegemonic way. First, the material dimension was strengthened. Renewable energy, efficiency and other green energy technologies have

been growing at their fastest pace since the 2000s. Second, at the institutional level, a strong low carbon bloc was formed between a variety of different players. In addition, the adoption of the first legally binding energy and climate targets was a major institutional breakthrough that provided an incentive for people and companies to invest in cleaner energy options. Third, at the discursive level, an equivalential linkage was established between energy, climate and competitiveness demands. Civil society groups, via the discursive and institutional levels, spread the low carbon order in the public domain. In addition, organic intellectuals consolidated the intellectual and moral unity of the emerging low carbon energy order by providing motivating myths, new concepts, narratives and images. The Commission and other players in the low carbon bloc therefore created a partial stability with regards to the future of EU energy policy.

According to the neo-Gramscian account, hegemony rests on compromises as well as political and material accommodation. It could be argued that, with respect to the EU energy and climate package, the Commission made some accommodating steps. For example, there were some concessions given to Italy by introducing a mid-term review clause (in 2014) regarding renewable energy targets (Euractiv, 2008b). Moreover, Poland and other countries received free allocations for power generation until 2020. In addition, because Poland over-achieved on its Kyoto targets, it also obtained a two percent additional free allocation for allowances (Interview 18). Despite these concessions and the relative stability of the Commission's led low carbon hegemonic order, the end of the 2000s saw challenges emerge. The emerging economic crisis, and competitiveness constraints brought by the US shale oil/gas revolution, slowed down progress towards low carbon hegemony. The dialectical tensions between material, ideational and institutional dimensions generated new conflicts and contradictions. It could be argued that economic crisis at the end of the 2000s, fol-

lowed by changing economic and political circumstances, led to instability and change. While the Commission tried to accommodate the interests of all the major state and non-state actors, one could still see growing opposition to the Commission's low carbon order. Given these new challenges, the partially hegemonic order was challenged. In the following chapter I will explain the emergence of the counterhegemonic movement. In other words, I will analyse the role of certain state and non-state actors in their attempt to undermine EU energy and climate policy. Moreover, I will assess attempts to adjust to these challenges and to maintain the resilience of the low carbon bloc.

Conclusion

This chapter showed that historical institutionalism, informed by a neo-Gramscian perspective, provides a comprehensive approach to explaining shifts towards low carbon energy policy. Due to the close relationship between growth and energy changes, capital accumulation regimes need to be taken into account in order to provide a better understanding of the EU energy domain in the mid-2000s. On the contrary from liberal intergovernmentalist, supranationalist or constructivist understandings, I argue that the neo-Gramscian concept of "organic crisis" helps to expose growing long-term contradictions within capital accumulation regimes and the emergence of a new hegemonic order. The neo-Gramscian perspective defines the concept of "organic crisis" as a transitional process towards a new hegemonic bloc, when the old historical bloc becomes detached from the material, discursive and institutional (organizational) domains, and when the new one attempts to establish its hegemonic structure. In this chapter I argued that the Russian gas supply crisis, frequent extreme weather events, growing energy demands and decreasing European production undermined the sustainability of carbon based energy policy, creating a particular opening for the Commission to lead the transition towards a hegemonic low carbon energy

order. Using the historical institutionalist account, I view the Commission as forward-looking, pro-growth oriented institution that due to its historical set up takes long-term view of the general interests of Europe. Simultaneous crises in different policy domains thus questioned the sustainability of the carbon based energy order.

A focus on Riker's heresthetics helps to better explain the creation of a common long-term energy vision within the Commission. The successful construction of a low-carbon hegemony at the EU level required coherence and coordination within the Commission itself. Due to the number of different policy domains, one can view competing energy visions within the Commission. As was argued in the previous chapter, one of the failures of the creation of a strong hegemonic order in the early 2000s was the internal division between the energy and environment commissioners with respect to the nuclear option, and a general lack of coordination within the Commission. On the contrary from some constructivist understandings, which over-emphasise an ideational view of structural explanation and overshadow the role of agency-led actions, and supranational accounts which do not reveal the mechanisms within the Commission, I can better explain how a common EU vision of the long-term energy future was coordinated within the Commission. The Commission's Secretariat-General acted in a heresthetical, contributing to establishing synergies between different policy departments through the use of certain strategic actions at the discursive and organizational levels. In other words, the SG helped to create a coherent European low carbon policy approach. For example, I argue that Secretariat-General, under the leadership of Day, transformed organizational work within the Commission, organized various events and created coordination platforms between different commissioners and directorates to work together on a future energy agenda. Moreover, the Secretariat-General used discursive actions to move beyond the issue

of the environment and to encapsulate other important dimensions such as security and competitiveness into the Commission's future energy discourse.

This theoretical approach is able to illuminate a diversity of material, discursive and organizational strategies, and to explain the phenomena of transition towards the low-carbon hegemonic order that would otherwise be difficult to explain. In explaining growing support for the low carbon energy order, the theoretical approach in this chapter helped to account how the Commission used the logic of heresthetics in order to strategically exploit opportunities and to increase support for low-carbon hegemony. The Commission convinced some EU member states, especially those such as the Central and Eastern European countries which were more preoccupied with security issues, through the rearticulation of the security dimension in low carbon energy policy discourse. Moreover, the neo-Gramscian concept of "organic intellectuals" helped to illuminate how certain individuals and groups constructed a low-carbon collective will and dominant knowledge structures through the use of motivating myths, metaphors and ideological narratives. Liberal intergovernmentalists do not perceive any significant influence of private groups on the policy-making process, other than at the national level. Moreover, supranationalists recognise the function of expert groups but the focus is mainly on the forms and mechanisms through which "epistemic communities" exert influence on policy-making bodies. On the other hand, the theoretical approach applied in this thesis helps to account for how organic intellectuals attempt to increase solidarity and solve collective action problems through the execution of their educational and social functions. In other words, the neo-Gramscian perspective contributes to understandings of how "organic intellectuals" formulated and consolidated the ideological underpinnings of a hegemonic project. It helps to reveal how organic intellectuals deconstruct existing narratives and offer alternative concepts that are used to construct coherent alternative orders. As a

result, in this chapter, I explained how “organic intellectuals” attempted to create a particular form of common sense through the use of discursive devices.

Chapter 5

The economic crisis and the shift towards the competitiveness dimension

Introduction

After progress in the 2000s, integrated EU energy and climate policy began to crumble and lose prominence. Given the economic crisis and growing concerns over Europe's competitiveness, the low carbon historical bloc tried to sustain the legitimacy of the sustainable energy order by creating certain equivalential linkages between various urgent demands: dealing with the economic crisis, ensuring competitiveness, and the long-term objective of creating a green, sustainable, secure and affordable energy model. At the end of 2000s one could thus witness changes in the communication of EU energy policy, as well as growing concerns over competitiveness and economic growth. These shifts were encouraged by both internal and external factors (contradictions). To a large extent, the economic/financial crisis undermined progress and the power of the emerging low carbon hegemonic bloc led by the EU Commission and other state and non-state actors. In addition, given the dynamic nature of the neo-Gramscian theory of hegemony, one could witness the emergence of players that challenged the legitimacy and viability of the low-carbon order. Responding to widening contradictions between short-term and long-term interests, the low carbon bloc tried to adjust and bring together the widest possible coalition of interests through the strategy of *transformismo*.

This chapter explains the prominence of the competitiveness and growth dimensions in European energy policy. I will analyse the role of specific state and non-state actors in their attempts to challenge progress towards a low carbon future. Moreover, the attempts by the low carbon bloc to reconcile growing contradictions and to keep the low carbon agenda will be explained. In the first part, I will assess

how the economic crisis and growing shale gas competition moved the low carbon order out of alignment, opened discrepancies within the hegemonic bloc, and raised accumulation-legitimation tensions. Furthermore, growing material, institutional and discursive challenges to the low carbon hegemonic order will be analysed. In addition, the structural influence of certain non-state players in blocking the emergence of a new historical bloc will be evaluated. The explanation of how the Commission, certain states in the Council, business groups and environmental organisations were trying to reconcile opposing ideas will be provided. Finally, in order to illustrate how the Commission and other players tried to maintain a low carbon hegemonic order through the strategy of *transformismo*, a case study on the energy efficiency directive will be explained in more detail. More specifically, this case study will analyse how the low carbon bloc led by the Commission promoted energy efficiency in an attempt to reconcile long-term low-carbon policy objectives with short-term economic, financial, and social needs.

1. Economic crisis and the shale revolution as a threat to the low-carbon hegemonic order

According to the neo-Gramscian account, hegemony is unstable and always contested (Jagers et al., 2004:250). One could argue that the low carbon hegemonic order which emerged in the 2000s was challenged by the emergence of global economic crisis which opened a space for contradictions and contestations. In 2012, for the first time in nearly a decade, global investments in wind, solar and other green energy ventures went down instead of up (Clark, 2012a). The current economic crisis in Europe has slowed down the progress of the low carbon historical bloc. In addition, optimism with regards to the development of green energy technologies has begun to fade away. This downturn is related to the economic crisis that was caused by

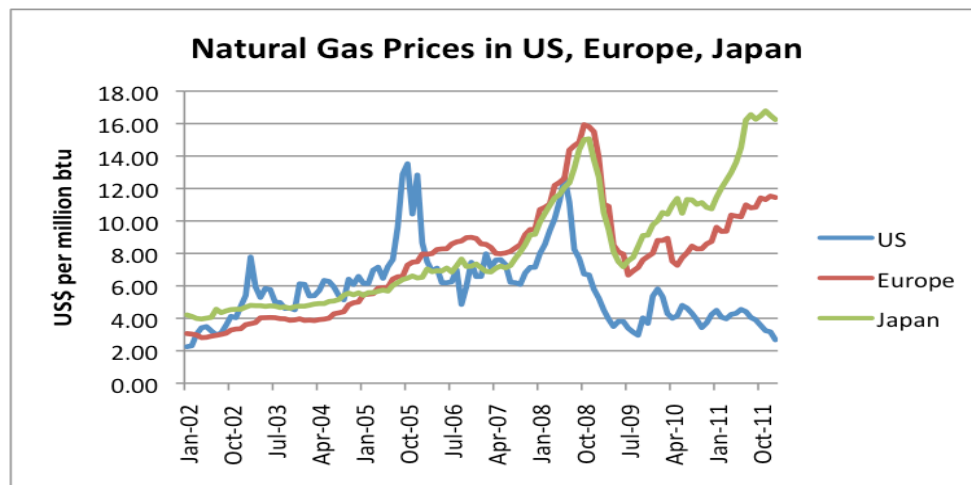
a crisis in banking, i.e. the credit crunch constrained green energy investments (The Economist, 2010).

The sovereign debt crisis in Europe began in 2010, and austerity became the primary instrument to tackle this (Blyth, 2013). Some argued that Europe was braced for a new age of austerity as governments across the region take action to eliminate unsustainable budget deficits (Scott, 2012). As a result of this austerity pressure, governments slashed subsidies for green energy investments. As Mark Scott (2012) claims: “Yet as the Continent’s debt crisis has continued to bite, many cash-strapped countries in Europe have pared back financial support for green energy investments”. Moreover, investors began to retreat from Europe in a search for new profits. According to Francesco Storace from Enel Green Power: “Some European governments are overwhelmed by their debts, so it is not surprising that renewables are seen as a small detail. They are totally absorbed in coping with the budget difficulties” (Scott, 2012). EU austerity policy thus had a negative effect on the green energy sector.

The shale revolution in the US has had a detrimental influence on EU energy and industrial competitiveness. Figure 9 shows natural gas price differences in the US, Europe and Japan. According to the graph, in the early-2000s, the gas price in the US was higher than in Europe and Japan. Nevertheless, with the increased production of shale gas, US energy industry managed to reduce the price almost sevenfold. In 2011, the gas price in the US was 4 times lower than in Europe. In addition, the difference in the price of gas had an effect on the price of electricity as gas is widely used for electricity generation in Europe. As some energy experts claim: “Europe left behind as shale shock drives America’s industrial resurgences... swathes of American industry have acquired a massive and lasting advantage in energy costs over global rivals. Europe is... drifting towards energy suicide” (Evans-Pritchard, 2012). Differ-

ences in energy costs thus put pressure on the competitiveness of European industry (Wiesmann, 2012).

Figure 9. Natural Gas Prices in US, Europe, Japan



Source: World Bank Commodity Price Data

2. Accumulation-Legitimation tensions

It is commonplace that, at all levels of political life in capitalist systems, a state has to both support the drive to accumulate and to legitimate this accumulation in the minds of the public by moderating its negative effects (Cox and Sinclair, 1996). As economic growth slows down, the contradictions between the two functions of accumulation and legitimation sharpen. In some situations, when the economy is in good shape, sustainability can be emphasised, but as soon as the economy is in crisis, accumulation demands undermine such needs. The intensifying economic crisis and growing competitiveness challenges contributed to the emerging disarticulation between different actors and their demands. As growth stagnated in many European countries, some governments denounced or at least slowed down the path towards decarbonisation. Governments had to balance fears of political and social unrest, a loss of legitimacy, and a lack of growth and competitiveness against the threats posed by an unsustainable carbon based accumulation regime. As Hay (1994) claims "...it is not difficult to see the potential for *tension* that this problem generates for the state

in seeking to reconcile the conflicting short-term interests of capital accumulation and long-term considerations of environmental preservation”. As has been evident since the start of Europe’s sovereign debt crisis, accumulation demands have led to a massive downplaying of sustainability discourses. As growth stagnates, it becomes difficult to justify the short-term costs of decarbonisation policies. There is a thus strong pressure from particular capital groups to slash long-term low carbon investments and instead increase competitiveness and growth in the short term.

To some extent, evidence of this legitimisation crisis can be tracked if we look at public opinion in the EU. Due to the worsening economic situation, EU energy policy had to reflect public attitudes. For example, as we can see from Table 3, in early-2008 when the economic crisis was still in its initial phase, 62 per cent of respondents considered climate change as the most serious problem and 24 per cent responded that an economic downturn should be viewed as the most serious issue. Nevertheless, if we compare these numbers with the 2011 figures, we can see a gradual change in perception. In 2011, 51 per cent of respondents viewed climate change as the most serious problem facing the world. In addition, 45 per cent (a 20 per cent increase from 2008) of respondents considered the economic situation as the most pressing issue. In almost all countries, the number of people that viewed climate as the most serious problem decreased.

Table 3. Responses to Eurobarometer survey questions

QD1T Which of the following do you consider to be the single most serious problem facing the world as a whole? Any others?									
	Global warming/ climate change	A major global economic downturn/ the economic situation	Global warming/ climate change	A major global economic downturn/ the economic situation		Global warming/ climate change	A major global economic downturn/ the economic situation	Global warming/ climate change	A major global economic downturn/ the economic situation
	2008		2010			2008		2010	
EU27	62%	24%	51%	45%	LV	66%	26%	51%	52%
BE	61%	26%	59%	36%	LT	58%	34%	45%	59%
BG	52%	27%	46%	58%	LU	69%	16%	62%	25%
CZ	45%	16%	39%	56%	HU	71%	35%	48%	63%
DK	71%	21%	67%	46%	MT	64%	11%	53%	43%
DE	71%	31%	66%	27%	NL	66%	12%	53%	32%
EE	58%	22%	35%	41%	AT	69%	31%	55%	54%
EL	90%	38%	61%	78%	PL	50%	11%	41%	31%
ES	61%	20%	56%	69%	PT	47%	32%	28%	61%
FR	71%	20%	52%	41%	RO	60%	32%	46%	65%
IE	63%	43%	45%	67%	SI	80%	27%	67%	53%
IT	47%	22%	42%	53%	SK	66%	23%	51%	58%
					FI	73%	26%	50%	29%
					SE	74%	10%	68%	23%
					UK	57%	24%	44%	39%

Source: Eurobarometer Climate Change

For example, in the most seriously affected countries such as Greece, the number of people who considered climate change to be the most serious issue decreased by almost a third, and the number citing economic concerns increased by 40 per cent. As one can see from the Table, Spain, Portugal and Ireland were the main countries that saw economic crisis as the most serious problem. One can thus see a gradual loss of legitimacy for low carbon bloc. O'Connor (1979) points out that legitimacy depends on the capacity of a political system to secure a consensus over political policies from groups which will either not benefit or will be disadvantaged by these policies – a task which typically requires that policies be defined and presented in way that conceals their real nature.

In the context of one of the most severe economic crisis since World War II, certain state and non-state actors found it difficult to balance the increasing contradiction between the need to ensure a long-term sustainable low carbon energy regime and short-term objectives to foster economic growth and competitiveness. Moreover, national governments had to create conditions for short-term economic growth in order to protect their legitimacy and, ultimately, their survival. In other words, politi-

cians in the crisis-hit countries had a challenging task to justify investments in green energy projects at a time when major financial and social woes exacerbated problems of unemployment and social cohesion. I will explain these contradictions in more details in the following part where I analyse the shifts in the material, institutional and discursive dimensions that led to the destabilisation of the low carbon bloc.

3. The disintegration of the low carbon hegemonic formation

3.1. A disequilibrium of the material, institutional and discursive dimensions

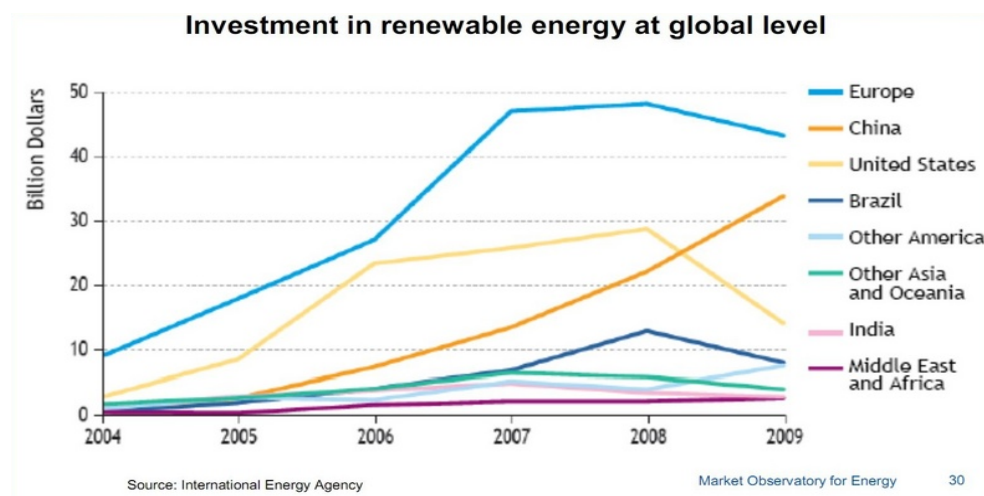
According to Jagers et al. (2004:255) "...hegemony is never completely stable, and is subject to continuous reproduction and renegotiation". In addition, neo-Gramscian hegemony can be achieved through field stabilisation: the alignment of material, institutional and discursive elements (Levy and Egan, 2005). One could argue that the economic crisis and the issue of competitiveness weakened the material, institutional and discursive power dimensions of low carbon order. As a result, these shifts undermined the hegemonic formation of a low carbon bloc, and opened up a space where alternative conceptions of general European interests could be constructed. For example, Jagers et al. claimed that "Crisis...create a particularly useful openings for actors wishing to advance such alternatives" (Jagers et al., 2004:250). In the following sections I will assess in more detail these developments in the material, institutional, and discursive realms.

3.2. The weakening of the material dimension

According to the neo-Gramscian account, the material level is developed by investments in technological and innovative solutions, thereby securing market positions (Levy and Newell, 2004). It could be argued that, since the beginning of the economic crisis, investments in renewable energy in Europe have dropped considerably. These reductions in renewable energy investments prove that the optimism with

regards to the development of green energy technologies has begun to decrease. Figure 10 shows global investments in renewable energy since 2004. As we can see, the EU had a significant lead in renewable energy until 2008 and 2009 when the global economic crisis started to accelerate. The Graph illustrates that, from this time onwards, the level of investment began to highly decrease. Moreover, the biggest slump in clean energy investment was seen in the final three years, when concerns regarding economic crisis and a loss of competitiveness were at their highest level. Referring to the significant decrease in investments from 2012 until 2013, BNEF (2014) points out that “...the biggest story was in Europe, where investment slumped 41% to \$57,8bn last year, from 97,8bn as big economies such as Germany, Italy and France either restricted subsidy payments for new projects or else failed to disperse uncertainty over future support”.

Figure 10. Investment in renewable energy at global level



The growing significance of the shale revolution diverted attention from low carbon projects in Europe to shale gas and oil investments in the US. The material sector of the low carbon bloc was thus weakened by the retreat of the largest oil and gas corporations which had, in the past, made considerable investments in renewable energy and green energy research and development. The current downturn in economic growth and competitiveness forced businesses to reconsider their investment

strategies towards projects which generated the highest profits. Companies such as Iberdrola, BP and Shell announced about decisions to withdraw from green investments. For example, at the end of the 2000s, BP pulled out from renewable investments in Spain and the UK. As some argued: “The Big Oil picked up the pace of its withdrawal from renewable energy when BP revealed that it is closing two solar-panel plants in Spain...The cutbacks...will result in 620 job losses...The oil giants have been rethinking their operations since the oil price plunged...” (Donovan, 2009). In addition, Shell sold its stake in the London Array project, potentially the world’s largest offshore wind farm (Macalister, 2008). In 2012 BP announced its decision to exit the wind energy business and to increase capital investments in lucrative oil and gas fields. As Dillalo (2013) claims “It wasn't that long ago that BP was said to be ushering in a new kind of energy company. It was creating a diversified giant...and now BP is completely exiting the renewable energy sector”. In addition, in 2009, Shell also announced its withdrawal from solar and wind energy investments. Linda Cook, Shell's executive director, said “If there aren't investment opportunities which compete with other projects we won't put money into” (Webb, 2009). Instead of focusing on renewables, Shell and BP made significant investments into unconventional gas and oil projects in the US and the Arctic (Gonzalez and Flynn, 2012).

Shale gas development in the US weakened the material dimension of the low carbon bloc and slowed down the creation of a sustainable energy future. In order to survive in the context of a slump in energy demand and uncompetitive gas prices, the largest capital groups prioritised their short-term interests at the expense of common European interests. For example, a growing consumption of coal in the EU over the last several years shows that a run for profits undermined the objective of creating a low-carbon energy future. The import and consumption of coal (lignite) has grown in the recent years due to the falling price of coal in the US. Anne-Sophie Corbeau, an

official from the IEA, argued that “While coal production and use plummet in America, in Europe we have some kind of golden age of coal” (The Economist, 2013). Moreover, the amount of electricity generated from coal in some European countries is rising by 50 per cent annually (The Economist, 2013). In addition, over the last couple of years, energy utilities in Germany, Poland, the Czech Republic, the Netherlands, and the UK have made large investments in the coal sector, the most polluting of all fossil fuels (The Economist 2013, Pfeifer, 2013). The re-emergence of the coal sector has had a negative impact on green investments. Every dollar spent on fossil fuels means less funding for renewable energy research and development. This shift in the attitudes of the most powerful players in the energy industry thus had a negative impact on the material dimension of the low carbon bloc.

Due to the economic crisis and cuts in green subsidies, the renewables industry found itself in a very difficult situation. For example, the world’s largest wind turbine maker, the Danish company Vestas, has been facing falling demand in Europe while struggling to maintain competitiveness. Nevertheless, despite falling investments, it would be wrong to say that the material domain was brought to a complete halt. Investments in renewable energy and low carbon technologies are long-term in nature, and many projects have continued during the economic crisis. Moreover, low carbon investments made in the pre-crisis period brought technological advances and innovations, drove down costs, and made green energy more affordable (Goosens, 2014). Nevertheless, since 2010, the material dimension of the low carbon bloc has been weakened.

3.3. Growing tensions in the institutional domain

3.3.1. Divisions in the Commission

When the low-carbon historical bloc reached its hegemonic peak at the end of 2008, the Commission was unanimous in its energy policy orientation. As was argued

in previous chapters, momentum was generated by close cooperation between different commissioners in the EU Commission. Moreover, the Commission's Secretary-General Day helped to bring different low energy policy visions together into one coherent policy. Different DGs worked together in order to put the EU at the front of low carbon energy developments, thereby making Europe the most competitive clean energy region in the world. This cooperation was weakened under energy Commissioner Oettinger (DG Energy) and climate Commissioner Hedegaard. After the approval of the second Barroso Commission in 2009, some disagreements emerged between these two commissioners regarding certain elements of EU low-carbon policy. For example, the first evidence of ambiguity within the Commission began to emerge in the debates surrounding the post-2020 energy-climate framework. As some analysts have claimed: "It seems likely that the relations between Oettinger and Hedegaard will become highly charged. It is highly probable that she will meet some resistance from Mr Oettinger..." (Belin, 2010). Soon after his appointment, Oettinger expressed his doubts about setting the ambitious CO₂ emission reduction targets of 20 to 30 per cent by 2020. As Oettinger pointed out: "If we go alone to 30%, you will have a faster process of deindustrialisation in Europe. I think we need industry in Europe and industry means CO₂ emissions" (Harvey, 2011a). His position contradicted Hedegaard's policy of not wanting to diminish the Commission's long-term decarbonisation policy ambitions and thus pushed for tougher carbon targets. According to Harvey (2011a) "Hedegaard kicked off the debate over the targets with a study...that showed a 30% target was "achievable, in part because a drop in emissions during the recession made it cheaper to slash greenhouse gases". Moreover, after the Commission proposed to cut CO₂ emissions 40 per cent by 2030, the EU energy Commissioner condemned these proposed targets. Oettinger (2014) criticised the scope of this ambition: "Every percentage going down gets more difficult and cost intensive. To

think that with this (EU) 4.5 per cent of global emissions you can save the World is not realistic. It is arrogant and stupid”. Moreover, the energy commissioner preferred to focus on a new renewables target and called for a doubling in capital investments in renewable energies. According to Oettinger “I prefer to have a renewables target – if there is no binding target, then member states can reduce renewable energy after 2020, to less than 20pc. That should not be the case” (Harvey, 2013). Different voices within the Commission thus began to question the pace of the low carbon transition.

3.3.2. Structural constraints and weakening support from member states

The economic crisis and growing challenges of competitiveness raised serious challenges for the legitimacy of the low carbon future. These challenges diminished the institutional dimensions of the neo-Gramscian historical bloc and exacerbated the accumulation-legitimation crisis in the EU. The consensus among member states regarding the low carbon energy future began to fade away. Especially due to the economic crisis, EU member states were structurally constrained by the need to ensure *short-term interests*, i.e. to create conditions for immediate capital accumulation, employment, and competitiveness. Otherwise, the legitimacy of their rule might be challenged. Facing the dilemma of whether to cut social expenditure and risk further social unrest, or to reduce low carbon investments, certain member states began to retreat from the low carbon energy path. In certain countries the interests of manufacturing industries, large energy corporations and “financial capital” were prioritised, as these capital groups were seen as the core sectors of economy which could help to counter the economic downturn (Gill and Law, 1993). Energy intensive industries employ millions of people in Europe and are the foundation of the manufacturing sector, making the raw materials that go into everything from medicine and clothing, through to vehicles and computers. Some argued that, due to importance of these in-

dustries for Europe's economic recovery, it was vital to protect their global competitive positions. In other words, these sectors possessed a structural power with regards to state decision-making as they were seen as being able to advance the general interests of capital in Europe. Newell and Paterson (1998:691) pointed out “As a result of the role of state in capital accumulation, those who organise that process (i.e. capital) gain great structural power...”. Given concerns over short-term economic growth, employment, and competitiveness, EU member states were less interested in creating long-term low carbon energy industries and instead prioritised the interests of industrial manufacturing sectors. Stollinger et al. (2013) explained the growing importance of these industrial sectors: “The recent resurgence of interest in industrial policy and its potential to spur economic growth has...been nurtured by concerns about growing competition from emerging economies”. The manufacturing sector was seen as playing a significant role in Europe’s economic development, employment, exports and innovation (Veugelers, 2013). According to Stollinger et al. (2013): “The economic crisis of 2008 has caused a change in the perception of the manufacturing sector in many countries among both economists and policy-makers. Manufacturing...is again considered to be a prerequisite for an innovative and fast-growing economy”. Although national differences should be taken into account, it must however be pointed out that due to the mobility of certain industrial sectors and their role in employment and tax revenues, many European countries feared that manufacturing industries could move to other states or even regions, thus aggravating the already dire economic growth and employment situations. As Gill and Law (1993:105) pointed out “...governments are increasingly constrained in their freedom of manoeuvre by economic policies of other states, as well as the investment decisions of internationally mobile capital”. Member states thus slowed down and even halted investments in green energy as they were much more expensive and detrimental to the short-term

growth and competitiveness of large industrial sectors. Moreover, the financial quasi-regulation exercised by credit rating agencies (Moody's, Standard & Poor's and Fitch) had a structural influence on widely scattered governments and energy corporations, thereby negatively affecting green investment decisions and low carbon policy choices (Sinclair, 2005). According to van Gilder Cooke (2012): "The call is being echoed across Europe, where governments are reconsidering what they – and taxpayers – can afford in terms of green-energy initiatives in an age of austerity...But with pensions, health care and education budgets already feeling the chill, lavish spending on clean energy has become harder to justify". As a result, governments feared that high energy prices and significant public deficits would constrain growth and push the European economy into an even more difficult position.

During the economic crisis a number of EU member states, such as Italy, Spain, Germany, the UK and others, slashed low carbon investments and slowed down their transitions towards a low carbon future. In explaining the decision to cut support for low carbon energy, one should not neglect the importance of structural constraints such as a systematic dependence on international markets for financing public expenditure. In 2012, in order to stop the downgrading of their credit ratings and a subsequent increase in borrowing costs, the governments of Spain and Italy announced deep spending cuts. One of the main victims of these cuts was the renewable energy sector. According to Couture (2012) "Faced with growing fiscal challenges and the spectre of increasingly trigger-happy credit rating agencies, the...Spanish government has acted to...put a halt to awarding new feed-in tariff (FIT) contracts. The move is expected to have immediate impacts on...wind power projects...solar PV projects, as well as a number of projects in other technology classes. The main driver behind this decision is addressing the country's electricity system deficit, which stands at over €24 Billion". José Manuel Soria, Spain's Minister of

Industry, Energy and Tourism, argued that the abolition of energy subsidies was designed to limit the runaway growth of the country's electricity tariff deficit. The minister admitted that the energy problem could transform into a financial problem and become a severe drag on the economy (Sills, 2012). Mallet (2012) argued that "Spain has suspended subsidies for all new power plants using renewable energy and unveiled a draft law to cut public sector deficits to zero within eight years and reduce government debt...Mariano Rajoy...sought to convince...that he was ready to impose economic austerity...". Moreover, with the highest unemployment rate in Europe, the Spanish government saw the need to reduce high electricity prices, thereby increasing the competitiveness of its industry and attracting foreign investment which could generate jobs. José Manuel Soria insisted that Spain must foster its competitiveness: "Our electricity costs on average more than that of France, one of our principal competitors, and this is *hurting our economy*" (Duchamp, 2012). In addition, while reducing support for the low carbon energy sector, the Spanish government announced its decision to extend subsidies for the coal industry (ENDS Europe, 2013).

Constrained by the decisions of the major rating agencies, the Italian government embarked on a policy of austerity and an internal devaluation process whose primary target was renewable energy cuts. For example, in the draft of its 5th Energy Plan, the Italian government supported cuts to solar funding and feed-in Tariffs (Coats, 2012). Italy's Economic Development Minister, Corrado Passera, explained "The incentives have produced "excessive" investment in solar and wind power which is distorting prices" (Vasarri and Sirletti, 2012). Moreover, the minister pointed out that energy prices were too high and urged thinking about development of domestic oil and gas resources (UPI, 2012). Passera made it clear: "This will help in both the short and medium-term" (UPI, 2012). The decisions to cut support for low

carbon energy in Spain and Italy were thus influenced by the structural constraints imposed by financial and industrial capital groups.

One could argue that structural constraints also affected German government's proposal to curb renewable energy subsidies and to cap electricity prices. In the context of the economic crisis, large manufacturing and energy industries were seen as the main engines for growth and employment, accounting for about 25 of total GDP (World Bank, 2015). For instance, Germany's economy and energy minister, Sigmar Gabriel, called manufacturing industry the backbone of the German economy (Richter, 2014). Moreover, given Germany's open and export-led economy, high energy costs were an extremely negative factor in diminishing the global competitiveness of German industries. It was stated that: "High electricity prices in Germany pose an increasing risk to the international competitiveness of German industry and exports, the economy's growth engine. International competitiveness is particularly important to Germany and its standard of living, owing to the country's high dependence on exports. Germany's ability to maintain its international competitiveness...will affect the entire economy, the German populace, and the fiscal position of the German state" (IHS, 2013:7). Furthermore, the German government viewed growing investments in low carbon energy as undermining the stability of the work of its largest energy utilities, which played a significant role in ensuring the stable running of its economic regime. Gabriel began discussions with the largest energy utilities about special payments (capacity payments) that would encourage E.ON and RWE to make investments into conventional power plants (Clark, 2012b). Fearing a loss of legitimacy, the German government decided to slow down the transition to a low carbon energy future. According to Gabriel: "For a secure transition to renewable energy...we need the support of the population. With rising energy prices, we will lose that. We have reached the limit of what we can ask of our economy" (Vasagar, 2014).

Moreover, Germany provided financial aid to its energy-intensive firms through exemptions from electricity-network charges, potentially raising costs for industry and challenging a core aspect of Germany's drive to green energy (Boston and Torrelo, 2013). The need to ensure the competitiveness of its industry, and provide a stable supply of energy, thus led Germany to question the implementation of its green energy policy.

Constrained by austerity policies, the UK also announced major cuts in wind energy subsidies. The UK was trying to slow down its path towards green energy. Moreover, due to a decline in its financial industry after the crisis, the UK aimed to increase the share of industrial manufacturing output in its economy. As Prime Minister Cameron argued “What we need to happen in Britain is a rebalancing of the economy, away from excessive borrowing, financial services and consumption and towards business investment, manufacturing, making things again” (Holehouse, 2013). In order to foster investments in manufacturing, the government sought to ensure a supply of secure and affordable energy. The UK's Chancellor, George Osborne, argued that renewable energy was too expensive and instead suggested expanding gas-fired generation. According to Osborne: “We need to set out an approach which puts costs to consumers at the hearth. (We should be limiting) support for low-carbon generation to a level the country can afford” (Harrabin, 2012). Moreover, the Conservative government promised to drop public subsidies for onshore wind farms and, due to pressure from of its supporters to address the issue of the visual impact of wind turbines, give local people the final say on wind farm applications (Barton, 2015).

The UK government saw shale industry as a core sector that could ensure the development of general interests of capital. The UK's Prime Minister argued that shale gas development could deliver a large economic boost and ensure supply of cheaper, more secure energy. Cameron (2014) explained: “...we're going all out for

shale. It will mean more jobs and opportunities for people, economic security for our country”. It could be argued that the UK government was constrained in its freedom to manoeuvre by the investment decisions of the shale industry. For example, in order to attract investment, the UK government adopted one of the most generous tax regimes in the world. Osborne (2013) explained: “We want to create the right conditions for industry to explore and unlock that (shale gas) potential...”. As a result, UK policy was influenced by the necessity to create favourable investment conditions for certain sectors of industry.

3.3.3. Growing divisions in the Council

Growing disagreements in the Council reflected changing attitudes among EU countries towards the low carbon energy model. Most of the objections in Council discussions came from Poland, which expressed its opposition to and vetoed the “Energy roadmap 2050”, the EU’s long-term energy policy strategy. One could argue that Poland’s position was structurally constrained by the interests of its powerful coal industry. Explaining its decision to veto the EU low carbon plan, the Polish environment minister Marcin Korolec called the Commission’s proposals radical, and warned that if adopted they would undermine investor confidence (Keating, 2012a): “Our position is – we do not agree to any higher EU reduction goals looking to the year 2020” (Rettman, 2012). As one Polish representative to the EU said “The Commission loves to save the World at the expense of European citizens” (Interview 9). One may argue that the Polish disagreements were due to the issue of growth. Some politicians in Poland claimed that Europe’s climate policy has lessened the competitiveness of the European economy in comparison to the United States and Asia (Szymański, 2013). Moreover, the UK and Czech governments, which were the leading countries in promoting the 2008 energy and climate package, expressed their opposition to the renewable energy targets in the post-2020 policy framework. The UK’s

Energy Secretary, Ed Davey, explained that, since 2008, circumstances had changed and that the UK supported a technologically neutral approach. According to Davey (2013) “RES (renewable energy) represent just one of the possible ways towards low-carbon economy. We strongly support a 2020 target, as it was needed to help develop new technologies. And, of course we are in an economic environment that is challenging European countries to address competitiveness and growth. But, above all, we must recognise that our economic competitors are stealing a march on us”. Consequently, growing opposition in the Council undermined support for the EU’s low carbon future.

3.3.4. Attempts to break down hegemonic discourse

Despite attempts to sustain the development of a sustainable low carbon energy regime, the influence of the low carbon bloc was diminished due to the severe economic crisis. Large energy intensive companies and corporations engaged in the formulation of a counter-hegemonic discourse. When it came to recession, economics began to intervene and accumulation demands led to the downplaying of discourses of sustainability. Using a post-structuralist account, one could argue that elements of EU low carbon energy discourse became “*floating signifiers*”. According to Griggs and Howarth (2013:21) “...”floating signifiers”...can...be articulated by rival political projects seeking to fix their meaning and import...”. In the context of deepening crisis and emerging discursive dislocation, energy intensive industries, together with certain civil society groups and other state and non-state actors, attempted to break up the chain of equivalences that connected climate, security and competitiveness (growth) demands into an integrated energy and climate policy. In other words, the counter-hegemonic group used the political logic of difference in order to negate and decouple an integrative energy and climate discourse and emphasise the primacy of short-term growth and competitiveness. On the contrary from the logic of equiva-

lence, the logic of difference aims to decouple various demands and to present them as contradictory and conflicting (Glynos and Howarth, 2007). The counter-hegemonic group led by energy intensive businesses thus aimed to undermine the Commission's low carbon energy and climate policy by emphasising its contradictions.

Given growing economic and social challenges, the narratives of industrial groups focused on the essential role of industry in recovering from economic crisis. Jürgen Thumann (2013), the President of one of the leading European business groups BusinessEurope, argued that “industry is the most important contributor to Europe's return to sustainable growth and job creation”. By using metaphorical elements such as “carbon leakage”, energy-intensive industries wanted to increase and step up accumulation pressures both at the European and domestic levels. This metaphorical description has been used at the EU level since the mid-2000s. The aim was to show that, despite EU attempts to tackle climate challenges, energy intensive industries could move their emissions from Europe to less environmentally regulated regions or countries (Buchan, 2009). This metaphorical description aimed to deny the competitiveness aspect of European low carbon policy. In other words, the narrative promoted by energy-intensive groups underlined that certain actions in the low carbon energy domain could seriously disrupt their competitiveness, forcing them to move their production abroad. BusinessEurope President Jürgen Thumann argued that “European companies are suffering from the negative effects of *“green tape”*“. The European Commission is still inclined to develop unnecessarily burdensome legislative instruments in climate, energy and environment policies. This is why BusinessEurope is continuously urging the Commission to move towards a technology-driven and competitiveness friendly approach...” (Thumann, 2013). By connecting EU low carbon policy to the idea of *“green tape”* BusinessEurope aimed to show

that, in promoting its vision of a low carbon future, the Commission was not listening to the urgent competitiveness demands of industry.

In order to decouple energy and climate policy integration, especially as the economic crisis started to intensify, the largest industrial groups began to employ other metaphorical re-descriptions. Generative metaphors as such “*investment leakage*” and “*job leakage*” were used in their arguments. Leakage is associated not only with loss, but primarily with waste (e.g. water, electricity or money). The idea was to evoke associations between the continuation of strong post-2020 energy and climate targets and the wasting of investment and employment opportunities, thereby diminishing economic growth and competitiveness in Europe. BusinessEurope (2014) underlined the necessity to put the competitiveness dimension at the top of the energy and climate nexus: “The EU needs to reassess its approach to energy and climate policy in order to reverse the “investment leakage” trend. It should learn from the high cost lessons, game changers such as the shale gas revolution in the USA and the very limited progress in global climate talks”. Moreover, certain energy intensive capital associations warned about “*job leakage*”, i.e. increases in unemployment if the ambitions of the low carbon policy are not reduced (Glass Alliance Europe, 2013). On the contrary from low carbon industries, energy-intensive capital groups and certain large fossil fuel companies viewed competitiveness only in terms of short-term energy costs. For example, the European Cement Association (Cembureau) stated that “Renewable energy policies, carbon costs and the structure of the electricity market play a significant role in driving up energy prices and climate costs in Europe” (Cembureau, 2013). This view was strongly supported by some powerful domestic industry associations such as the BDI (Federation of German Industry) that raised questions of the competitiveness of European business. The BDI worried that the cost of Energiewende (energy revolution in Germany) would inevitably push electricity prices

much higher in coming years (Bryant, 2013). Subsidies and other taxes already represent about 50 per cent of the cost of industrial electricity bills in Germany (Bryant, 2013), and some of the largest industrial corporations thus highlighted potential negative consequences of growing disparities between energy prices in the US and Europe. The CEO of Bayern Schwager argued that “Energy costs in Europe...will continue to rise. That will have an effect on the competitiveness of several sectors” (Wiesmann, 2012). In reference to the EU energy policy, Schwager said “Europe’s politicians should be careful not to make already pricey energy even pricier by levying new taxes or surcharges” (Wiesmann, 2012). Energy intensive industries therefore attempted to decouple EU energy and climate integration by stressing the negative impact of this policy on economic growth and competitiveness.

The largest European energy corporations, together with the financial rating agencies, attempted to deny the role of renewables in providing energy security, reducing CO₂ emissions and fostering European competitiveness. The CEO of one of the largest European utilities, Eon, called EU energy and climate policy dysfunctional: “...things are now just getting out of control. European power is getting dirtier. The CO₂ content is increasing in spite of renewables. It is unaffordable, and it’s losing its security. So the alarm signs are tremendous”. Moreover, nine of Europe’s largest utilities that refer themselves as the Magritte group were united in their opposition and warned that EU energy and climate policy would create dire energy security risks. The CEO of Germany’s RWE said: “We cannot have a renewables society without security of supply” (Clercq and Lewis, 2013). Furthermore, GDF Suez pointed out that renewable subsidies must be cut to preserve the profits of conventional (fossil fuel) power generators. According to Mestralett, the CEO of GDF Suez, “We have to reduce the speed at which Europe is building new wind farms and solar panels. At the moment, it is not sustainable” (Chazan and Clark, 2013). As a result, fol-

lowing the logic of difference, the largest European utilities aimed to dismantle the energy and climate nexus by stressing concerns regarding energy security.

In the neo-Gramscian account, civil society plays an important ideational role in solidifying the stability of an historical bloc (Levy and Egan, 2003:806). Given the economic crisis and growing concerns over employment, the support of civil society regarding the low carbon energy future was fragmented. Certain European trade union associations tried to break down low-carbon discourses. The largest European trade unions representing people working in energy and energy intensive industries supported narratives that were promoted by European energy-intensive industry associations. For example, discussing the post-2020 energy and climate policy framework, the IndustriAll European Trade Union, representing workers from energy intensive industries, urged a rebalancing of EU energy and climate integration by stressing the primacy of European industry and its competitiveness. IndustriAll (2014) acknowledged “...the need to rebalance the EU climate and energy goals with the competitiveness of its industry. This long-term strategy is of crucial importance to workers in the investment goods and energy-intensive sectors in the light of our concerns about securing the necessary investment in high-performance equipment and in the improvement of industrial processes”. The General Secretary of IndustriAll, Ulrich Eckelmann, explained that climate ambitions should not disadvantage energy intensive companies: “Climate goals must be held in balance with the need to ensure that energy-intensive industries remain in Europe and are not subject to unfair competition from outside the EU” (IndustriAll, 2014). Moreover, IndustriAll Europe, together with European industry groups, stressed that climate targets should not be set at the expense of economic growth and job creation. For instance, in a common letter to the President of the EU Commission, IndustriAll and the European Chemical Industry Council decoupled low carbon developments from economic growth: “...we do

not believe that these should or can be achieved at the expense of sustainable employment or economic growth. Proposed EU measures...are intended to increase the costs of doing business. They will divert resources and discourage the investments needed to build a resource efficient, low carbon economy” (Elliot et al, 2012). Certain civil society groups thus sought to decouple the economic and social benefits posited by low carbon discourses.

4. The engagement of traditional intellectuals

In this research I use the concept of organic intellectuals more broadly than more traditional Gramscian perspectives that often perceive them as radical activists rooted in certain social class. I argue that as we live in different times with a variety of complex and inter-connected issues, linkage to certain social class becomes irrelevant and limits our understanding of the role that certain individuals or groups played in providing a coherent framework for hegemonic change. One must be flexible in interpreting Gramsci and in applying his analytical concepts, including organic intellectuals to the area of EU politics. I argue that the importance and relevance of the use of organic intellectuals stems not from their linkage to certain social or business group but from their ability to provide new thinking and organising elements for a new hegemonic bloc as well as to stimulate public’s knowledge about certain issues.

In the previous chapter I argued that certain organic intellectuals attempted to establish a coherent low carbon historical bloc. However, Gramsci also refers to tradition intellectuals who perform most of the functions of elaborating and maintaining the existing order. I argue that, since the beginning of the economic crisis, traditional intellectuals of the carbon-based world tried to break down the low carbon hegemonic discourse, as well as defend energy, economic, social structures that reproduce status quo. For instance, William Nordhaus, a well-known US economist, Dieter Helm, the professor at the Oxford University and Special Advisor to the European Commission-

er for Energy, and other energy experts have all played an important role in trying to break up the chain of equivalences which connect the climate, security and competitiveness (growth) dimensions in the low-carbon bloc's ideology. First, some experts questioned the credibility of the Commission's energy calculations. According to some analysts "The credibility of a European energy review has been cast into doubt by experts who point out that long-term plans to cut carbon emissions are based on an economic model...that cannot be independently scrutinised" (Clark, 2011). In addition, Nordhaus doubted the impartiality of the Stern Review, the main document that the low carbon bloc relied on in justifying the economic case for immediate decarbonisation. Nordhaus (2008:167) explained that "...Stern Review should be read primarily as a document that is political in nature and has advocacy as its purpose...". Moreover, Helm attempted to deny the argument of the low carbon bloc that a "new industrial revolution" through immediate green energy transformation could lead to future prosperity. According to Helm (2012: 20, 21) "Politicians jumped on its conclusion. The 'greening' of the economy through climate change policy has been variously claimed to be way out of recession, the path to a "new industrial revolution", and capable of lowering future energy prices. Listening to the President of the European Commission...you could easily be led to believe that the challenge of climate change is actually a good thing regardless of the climate, that climate mitigation will lead to future prosperity...Politicians tell us that the solution of the economic crisis is "green growth", and that even decarbonisation will reduce energy bills by 2020...It is hard to take seriously – that the world's carbon-based economy can be decarbonised in a few decades without economic pain; that we will be better off. Even more surprising is that apparently intelligent people actually seem to believe it" (Helm, 2012:26). Helm thus criticised one of the key arguments of the low carbon bloc: that immediate decarbonisation was less costly than delay. He also questioned two other

dimensions of the Stern Review: the measurement of costs and discount rate of the analysis of costs: "...the costs are much higher than estimated, and that the political economy of climate-change policy is much more constraining. On this view, the easy compatibility between economic growth and climate change, which lies at the heart of the Stern Report, is an illusion" (Helm, 2008:213). Helm thus called into question the economic validity of the low carbon bloc's arguments.

Traditional intellectuals not only challenged the arguments of the low carbon bloc by decoupling climate change and the potential of economic development. Helm (2012:26) also focused on the level of uncertainty about global warming and even situated climate change within powerful discourses of progress: "Is a gradual increase in average global temperatures...a bad thing? Again the answer is far from clear-cut. Climate change is disruptive, but its very disruptiveness is what spurs evolution, and it was climate change that enabled humans to spread across the planet as the ice retreated. The ice is a major barrier to accessing significant raw materials – oil, gas coal and minerals...The opening-up of Arctic resources is gathering pace, and the local population is on the cusp of a revolution in its economic circumstances". Moreover, the validity of the UN's Framework Convention on Climate Change proposal to prevent climate catastrophe by limiting global warming to just 2 degrees Celsius was challenged. Some questioned the certainty of the target: "What would happen at 2C warming on average? Bearing in mind uncertainty inherent in the science and in the climate models, the first important thing to say is that we have a very general idea – and one that is fragmented at that...what at first looks like the alarmists' Armageddon – and is often presented in this way – turns out to be a set of economic costs (against which benefits have to be weighted)" (Helm, 2012:28). Helm thus linked processes of climate change with possible economic benefits.

Intellectuals called into question the conventional argument of peak oil. Helm contradicted the Commission's argument that the promotion of renewable energy and energy efficiency would increase energy security: "For the peak oil advocates, the convenient truth is that de-carbonisation via renewables and nuclear is not only good for the climate, but sound economics too. Almost all of this is nonsense – and some of it is dangerous nonsense. There is enough oil and gas (and coal too) to fry the planet several times over. The problem is there may be too much fossil fuel, not too little, and that fossil fuel prices might be too low, not too high" (Helm, 2011a). Helm tried to decouple the low carbon future from investments exclusively in renewable energy in order to create a new common sense that the creation of a sustainable low carbon future necessitated a gradual transition from lower carbon to low carbon sources. He explained that alternative lower carbon energy investments are needed to make long-term decarbonisation revolution economically sustainable in the short and medium terms. Moreover, Helm argued that a short-term focus on gas rather than renewables provides a better option economically. In other words, Helm (2012:195,196) argued that the focus on shale gas investments would tackle Europe's climate and energy security challenges without compromising short-term economic competitiveness and growth: "...as an immediate alternative...gas provides an opportunity for a major step reduction in emissions from business-as-usual; it can be achieved quickly; and what makes it particularly attractive is that it would almost be a lot cheaper and on a much bigger scale than the other options. It may also be reasonably secure". As a result, Helm attempted to provide a new common sense for the low carbon transition by focusing on gas as competitive short-term solution.

5. The low carbon response: attempts to maintain a hegemonic order

5.1. *Transformismo* and adaptation

In order to analyse the transformation of the low carbon historical bloc, we must look at the role and actions of the Commission. As I argued in my theoretical account, the EU Commission should be considered a forward looking and growth-oriented institution which advances long-term European interests. In other words, the Commission is monitoring and evaluating long-term prospects and structural tendencies to ensure the long-term viability of capital in-general. Moreover, the Commission is not constrained by the structural power of particular capital groups because, unlike member states, it is not directly elected, and its legitimacy and survival does not thus directly depend on capital accumulation. Nevertheless, due to its historical set up, heavily influenced by the French view of public administration, the Commission sought to escape the short-term constraints of accumulation and to advance a broader view of economic development and growth. In the EU institutional environment there is always tension between the particular interests of capital, of certain EU Member states that depend on the structural power of business groups, and the Commission's vision to ensure the long-term feasibility of European economic growth. Going back to the early-2000s, the Commission began to lead a low carbon "*war of position*" in order to ensure the success of the EU's economy and businesses in a long term. The strength of the low carbon historical bloc reached its peak with the adoption of the climate and energy package in December 2008. However, a broad consensus on decarbonisation began to fade away as a result of the economic and financial crisis that began in 2007, and gained its momentum in 2010. Short-term competitiveness demands were thus put high on the agenda and the idea of a new sustainable low carbon energy regime based on green energy investments began to lose its prominence. For the Commission and other players, it became increasingly difficult to legitimise the

movement towards a low carbon energy future. In addition, due to growing contradictions, the low carbon bloc began to lose its material capabilities and institutional support. For example, its material capabilities were undermined because of a reduction in green investments and the increasing financial difficulties of many renewable businesses. As was argued in previous sections, institutional unity may also have been lost because of divergent views, not only in the Council, but also in the Commission. These shocks and contradictions thus threatened to fragment the low carbon consensus in the EU.

According to the neo-Gramscian account, hegemony is always unstable and challenged by certain players across the material, institutional and discursive domains. As the contradictions between short-term accumulation and legitimation sharpened, the low-carbon bloc tried to strategically incorporate these new demands into its ideational domain. In terms of discourse, what is happening here is that the historical bloc is trying to respond to new challenges, to repackage energy and climate integration, and to create certain equivalences and to articulate them. In this context, the Commission applied *passive revolution*, or the reorganisation of power to preserve its hegemony (Cox, 1987). As I have argued, compared with national governments the Commission does not possess financial or military powers. Nevertheless, despite the lack of these capabilities the Commission is still able to muster institutional support and apply discursive actions in order to neutralise hegemonic formations. In other words, the Commission uses a strategy of *transformismo* in which it seeks to bring about the widest possible coalition of interests (Cox, 1987). In addition, the aim of *transformismo* is to assimilate and to accommodate potentially conflicting and dangerous ideas by adjusting and incorporating them to the policies of the hegemonic coalition, thereby disturbing the formation of organised opposition (Cox, 1996). The low carbon bloc led by the Commission thus tried to absorb these poten-

tially dangerous ideas by incorporating them into the discourse of the low carbon bloc.

For instance, in the energy domain, the low carbon historical bloc wanted to accommodate conflicting ideas and preserve its unity. DG Climate Action, headed by Commissioner Hedegaard, led this policy orientation (Interview 2). Reflecting on the current crisis of legitimation, a high ranking policy adviser from DG Climate Action said: “There is an opposition towards low carbon energy policy. It does change in the short-term, the perspectives of what is feasible. I do think that it slowed down more ambitious policies in a short term” (Interview 29). It could be argued that the Commission acted strategically, i.e. when support for its sustainable low-carbon energy regime started to crumble, it analysed the situation and adapted to changing circumstances. In other words, the Commission switched from more radical proposals to less ambitious ones, but its primary long-term objectives remained the same. An official from DG Energy pointed out “...we are trying to balance everyone’s perspectives and to incorporate various interests. I think it is the logic that the Commission has to think about longer-term perspective even if in a short term it may have a negative effect. If climate issues are not tackled it may results in much higher costs for future generations” (Interview 12). As a result, in the context of changing economic circumstances, the historical bloc led by the Commission attempted to reconcile different demands and to reproduce legitimating ideologies.

In its communications, EU energy policy began to focus more on competitiveness and growth dimensions. The Commission and other actors created a chain of equivalence and linked different demands together. Given the growing economic and social crisis and a decline in legitimacy, the primary aim was to draw an equivalence between demands for decarbonisation and economic growth. In other words, the low carbon historical bloc focused on the lack of growth and loss of competitiveness in

the EU in order to maintain the legitimacy of its decarbonisation policy. The low carbon bloc adjusted their discursive strategies and began to concentrate on the most pressing economic and social challenges while keeping its long-term perspective. As Hedegaard (2011a) pointed out “Economic growth is no obstacle to tackling climate change; just as reducing emissions is no obstacle to economic growth”. Due to economic, social and political uncertainties, the low carbon bloc thus attempted to show that its long-term decarbonisation policy was able to deal with emerging short-term economic demands.

Responding to new pressures of short-term accumulation, the Commission wanted to change the perception of growth. For instance, Hedegaard (2010) stated that “Shifting from our present model to a low-carbon future is...a huge opportunity to reinvigorate our economies and accelerate our exit from the crisis. Innovations in low-carbon technologies such as energy efficiency, renewable energy and carbon capture and storage promises to generate new sources of economic growth and jobs and to strengthen our economies' energy security”. For the low carbon bloc, the economic crisis was a time when new legitimating frames and narratives were needed. Hedegaard (2011a) pointed out “We need to act NOW – now...when the crisis is inviting us to look into new ways of economic growth”. Moreover, in order to strengthen the linkage of these new demands, the Commission used a metaphorical dimension in its argumentative frame. For example, old metaphorical terms such as “green growth” or “sustainable growth” were encapsulated in the new terms “*smart growth*” or “*intelligent growth*” which were used to generate new perceptions and give a new view of the problem, i.e. the necessity to ensure a new model of economic growth. As Hedegaard stressed, the emergence of new demographical and economic challenges necessitated a new model of accumulation: “The 21st century must have a more *intelligent growth* model, or else it’s really difficult to see how we feed 7 billion people now and

9 billion people [by 2050]. Resources were cheap before, but it seems we are in for a period where resources become more and more expensive. Oil is coming up in price, so many other commodities are coming up in price. We need to deal with this” (Harvey, 2012). The Commission wanted to turn the idea of a sustainable low carbon energy regime into a generative metaphor that could hold decarbonisation and growth demands together, thus reducing the tension between emerging contradictions. In other words, conventional growth based on the use of fossil fuels was opposed in the name of “smart” (intelligent) accumulation.

In order to argue for decarbonisation, wider metaphorical elements were also used. The historical bloc talked about “*responsible capitalism*” as an economic system which integrates several socio-economic demands and emphasises the need to preserve a *long-term perspective* at the time when *short-term accumulation pressures* started to take hold. As Hedegaard (2013) stated “The market tends to look for short term gains. But it typically gives no value to protecting public goods like a stable climate or a healthy environment. That's where we need politics and politicians that dare to think also for the long term. This is what I call *responsible capitalism*. And right now...politicians are not interested in talking about extra pain...”. This “growth” discourse was framed around the necessity to go “*beyond GDP*”, i.e. to the perceptions of the way we measure economic progress. In other words, the issue was to move the discussion from short-term growth to long-term development. Barroso (2007) pointed out: “So it's time to go beyond the tools developed for the very different world of the 1930s. It's time to go beyond GDP”. The low carbon historical bloc thus responded to new challenges by trying to promote a new understanding of accumulation and the measurement of economic growth.

As the accumulation-legitimation contradiction became more acute, the low carbon bloc addressed the issue of competitiveness. Barroso (2013) stressed compati-

bility between competitiveness and energy and climate policy: “What underlies the current debt crisis...is, at its heart, a *crisis of competitiveness*. That is a key question in my view. Because obviously our policy does not operate in an economic and political vacuum. I do not see energy and climate policy as contradictory to fostering Europe-wide competitiveness, but...as mutually reinforcing. So we will keep an eye on this dimension of competitiveness”. In Barroso’s statement one can clearly see evidence of the logic of equivalence, an attempt to link demands for sustainable energy and competitiveness. This linkage was sustained by a rhetorical operation in which proponents of decarbonisation policy sought to transform our view of competitiveness. For instance, Hedegaard (2013) used metaphorical language such as “*true competitiveness*” to link diverse demands together into a policy that publicly contested normal conceptions of competitiveness. “True competitiveness” was used as a metaphorical re-description, alluding to “untrue” or “artificial” competitiveness which is not sustainable in a long-term. In its strategy of *transformismo*, the Commission thus used metaphorical descriptions in order to adjust its vision of a low carbon energy future to the growing challenges of competitiveness.

5.2. Discursive restructuring in the policy of *transformismo*

Civil society groups were divided with regards to the low carbon energy order. As was argued in the previous section, the industrial unions tried to undermine the legitimacy of the low carbon order. However, there were also certain civil society and other non-state actors which helped to promote and legitimate the ideologies of the sustainable historical bloc. Levy and Egan (2003:805) pointed out that “...the institutions of civil society...plays a central role in ideological reproduction, providing legitimacy through the assertion of moral and intellectual leadership and the projection of a particular set of interests as the general interest”. Given economic and social crises, civil society groups found it increasingly difficult to develop messages for

public campaigns and to mobilise public support for the creation of a low carbon energy future (Interview 7). Despite a loss of influence, these groups attempted to contribute to the use of *transformismo* by helping to absorb potentially dangerous ideas.

In order to increase the resonance of low carbon demands, green energy and climate groups cooperated on the ideational spectrum. Civil society organisations emphasised the importance of fostering green growth, jobs, and competitiveness. Discussing their discursive strategies in Brussels, the representative of one of the largest environmental groups pointed out: “We are trying to adapt to changing circumstances. At the moment there are virtually all economic arguments. In the immediate term we aim to persuade public about the economic and social benefits that low carbon policy could bring” (Interview 22). For example, the WWF and the European Wind Energy Association (EWEA) attempted to create equivalence between the issue of competitiveness and low carbon investments. As was argued in the WWF report, “The argument is often made that investment in renewable energy will increase energy costs, further compromising the EU’s competitiveness. In fact, investment in renewable energy, coupled with energy savings, is a smart choice, even in difficult economic times. The more renewable capacity there is in Europe, the less there is a need for increasingly expensive energy imports” (WWF, 2013b). Moreover, both the European Renewable Energy Council (EREC) and Greenpeace tried to situate the decarbonisation dimension within a powerful discourse of crisis: “It’s not just the economy that’s in crisis. The climate crisis and the financial crisis are not two competing issues that need to be addressed separately by the world community. The solution to one is, in fact, the answer to the other” (Greenpeace and EREC, 2009). Renewable business associations and environmental groups used the metaphorical expression of “just transition”. By using such a rhetorical device, the historical bloc tried to show the compatibility of environmental, economic and social demands: the transition towards

a low carbon energy regime must encompass a complete transformation of the way we produce, consume and distribute energy, and at the same time maintain sound economic growth, generate employment and ensure competitiveness (Greenpeace and EREC, 2009). Furthermore, the low carbon bloc drew a line between green jobs of tomorrow, growth and ecological and social collapse (Greenpeace and EREC, 2009). The decarbonisation agenda was also supported by a coalition of progressive energy companies such as SSE, Eneco, Dong Energy and others. In an Open Letter to the EC and the Presidency of the Council, the group called on them to take next step and decide a legal mandate for binding 2030 renewable, CO₂ and energy efficiency targets (Euractiv, 2012a). It could thus be pointed out that the interests and positions of renewable industries and environmental organisations corresponded to the Commission's long-term vision to create a sustainable accumulation regime fuelled by green low carbon energy sources.

Civil society attempted to assimilate certain opposing ideas and counter-arguments. For example, The "Beyond GDP" initiative was introduced in order to promote the inclusion of environmental and social aspects into the measurement of economic growth. The Organising Committee Members of this initiative were representatives of not only EU institutions, but also civil society groups such as the WWF, the Club of Rome, and academia. The initiative challenges the way growth is measured. Chaired by Nobel Prize winner Joseph Stiglitz, it aims to develop new indicators of economic growth which would include the environmental and social aspects of progress. In the neo-Gramscian tradition, this group could be regarded as organic intellectuals who perform the function of developing and sustaining new ways of thinking about economic growth (Breinschmid, 2014).

5.3. The role of organic intellectuals

Certain organic intellectuals tried to reconstruct the collective will of the low carbon bloc in the wake of economic and financial crisis. For example, Jeremy Rifkin challenged existing economic narratives and provided a new motivating myth in an attempt to overcome growing collective action problems within the low carbon bloc. Rifkin urged a change in the course of European economic policy. In his speech for the “Mission Growth Summit: Europe at the Lead of the New Industrial Revolution”, hosted by The European Commission, Rifkin (2012:1) urged a move from austerity towards a new economic narrative: “There is a growing realisation that austerity measures alone will be insufficient to assure the future of Europe. It is becoming increasingly clear that what Europe (in economic crisis) needs, above all else, is a bold *new economic narrative* that can take it into a more equitable and sustainable future”. Moreover, Rifkin provided a new motivating myth based on the creation of “*collaborative commons*”, or the creation of a new zero marginal cost economic system, which would replace market capitalism and where all goods and services would be nearly free. According to Rifkin (2014) “We are on the cusp of a promising new economic era, with far reaching benefits for humankind. What’s required now is a global commitment to phase in the Internet of Things platform to facilitate the transition to a Zero Marginal Cost Society, if we are to create a more just, humane and ecologically sustainable society”. Furthermore, delivering the keynote address in an event organized by the Commission, Rifkin (2014) linked his new economic myth with the creation of a low carbon energy future: “...the bulk of the energy we use to heat our homes and run our appliances, power our businesses, drive our vehicles, and operate every party of the global economy will be generated at near zero marginal cost and be nearly free in the coming decades. Unlike fossil fuels and uranium for nuclear power, in which the commodity itself always costs something, the sun collected on rooftops

and the wind travelling up the side of buildings are free”. In addition, Rifkin emphasised that the new economic paradigm would require changes to the measurement of economic growth from GDP metrics towards more quality of life based indices. At the time of the crisis, Rifkin therefore tried to increase solidarity within the low carbon historical bloc by promoting a myth of the economic paradigm shift from market capitalism to the collaborative commons.

Sir Nicolas Stern also tried to refute the idea that low carbon policies are not affordable at a time of crisis. He linked climate change and economic recovery demands, arguing that green investments would lead to a post-crisis economic recovery. Stern (2009) explained: “How did we reflate the economy after the bust of the dot-com? We lowered interest rates, had a big asset price bubble, and demand increased on the back of inflated house prices. That’s not sustainable. We need to have a reflationary package, which lays the foundation for future growth. It’s the opportunity to go for low-carbon growth. I described, there are number of things that we have to overcome. One is the idea that the economic crisis takes precedence over climate crisis. That is just confusion. That just misses the point about how we can put our policies on these two things together in a very constructive way”. Furthermore, Stern (2013) linked low carbon policies with European economic opportunities, pointing out that “Europe has a golden opportunity to re-ignite growth by investing in the transition to a low-carbon economy. With interest rates at low levels, relatively high unemployment and liquidity in the private sector, governments can unleash economic activity through sound and credible policies that encourage investment in its energy infrastructure. Low-carbon growth is the only credible...growth strategy. And at the time of depressed economies is exactly the time to invest in the growth story of the future”. Moreover, in order to strengthen concerns and to call for immediate action, Stern used the metaphorical expression of “*Russian roulette*”. According to Stern

“Looking back, I underestimated the risks. I would have been much more strong about the risks of a four- or five-degree rise. Governments should now act forcefully to shift their economies towards less energy-intensive, more environmentally sustainable technologies. This is potentially so dangerous that we have to act strongly. Do we want to play Russian roulette with two bullets or one? These risks for many people are existential” (Stewart and Elliot, 2013). Moreover, Stern developed a myth of a “golden age of innovation” in order to deal with growing collective action problems within the low carbon bloc. This myth focused on the attractiveness of a low-carbon future. As Stern (2011:12) pointed out “New industrial revolution and the transition to low-carbon growth constitute a very attractive path likely to bring two or three decades of dynamic, innovative and creative growth, and large and growing markets for the pioneers. When achieved, low-carbon growth will be more energy-efficient, more energy secure, more equitable, safer, quieter, cleaner and more bio-diverse”. As a result, Rifkin and Stern can be regarded as organic intellectuals who attempted to absorb counter arguments by adjusting the vision of a low carbon future to the new circumstances of the economic downturn.

6. Case study: the promotion of the Energy Efficiency Directive

The low carbon bloc tried to execute a strategy of *transformismo*. As has been argued, transformismo aims to co-opt different players into a wide coalition for policy change and to absorb certain potentially counterhegemonic arguments by making these arguments consistent with the ideas of the historical bloc (Cox, 1996). The Energy Efficiency Directive that was adopted in 2012 could be seen as an example of this strategy (Euractiv, 2012b). Given accumulation tensions and concerns over competitiveness, the Commission and other players in the low carbon bloc focused on the promotion of energy efficiency in order to reconcile its long-term low-carbon policy objectives with short-term economic, financial challenges. In other words, by focus-

ing on energy efficiency, the Commission and other players in the historical bloc wanted to make their long-term energy and climate policy compatible with short-term demands of growth and competitiveness. In addition, the low carbon bloc aimed to expand the coalition of interests and absorb conflicting ideas that were promoted by the counterhegemonic bloc. Some have argued that “Getting a deal on a new legislation has become a priority for the EU as other elements of its climate policy...have stalled or stumbled” (Chaffin, 2012). Nevertheless, despite initial expectations, the efficiency directive was significantly watered down with more flexibility and exemptions for certain industrial sectors. Keating (2012b) states that: “The deal will water down the European Commission’s proposal so significantly that it will not enable the EU to even get close to meeting a goal of improving energy efficiency by 20 per cent by 2020”. The aim of the case study is to explain how the low carbon bloc led by the Commission used energy efficiency in its strategy of *transformismo*.

According to the post-structuralist tradition, energy efficiency discourse was promoted as an equivalential connector which linked the long-term sustainable energy future with short-term demands to respond to the immediate slowdown of the economy, and to foster growth, competitiveness and employment. As a high level EU official from DG Energy pointed out: “Energy efficiency really fits exactly in the middle of our long-term integrated energy and climate policy. Because with energy efficiency you increase your energy security, you reduce your CO₂ emissions. And also knowing that the prices for unit will increase, energy efficiency is a way to keep a total bill down. So I think in that sense energy efficiency is really a logical priority in this triangle. On top of that, in the context of economic crisis and rising unemployment efficiency policy also serves that objective too that it creates jobs and incentivises economic growth” (Interview 24). One of the immediate tasks for the low carbon bloc was to create an image of the problem, as energy inefficiency is often

perceived as intangible issue which does not have material substance. As a result, the generative metaphor “*energy-plumber*” was used in order to structure the way in which the problem of excessive energy use is viewed and tackled. For instance, the image of “*energy-plumber*” indicates solutions or remedies to address the issue. In a conventional sense, a plumber normally deals with water problems, i.e. someone who fixes leakages. In the case of energy efficiency, this metaphorical description could be viewed as an attempt to create this image and to push for immediate and necessary steps to increase efficiency levels, and to insulate and renovate buildings. Hedegaard (2011b) elucidated on the metaphor: “If you have a water leak in your house, you will set everything else aside until you've managed to stop the leak or made a plumber come urgently and fix it – within the hour. When it comes to energy, it is time to start thinking more like that: Europe's buildings are leaking. Money, energy and emissions are literally flowing out of the windows and cracks as we speak. It is time to fix it – it's time to call the “*energy-plumber*”!”. The promotion of energy efficiency could therefore be seen as one of the main instruments through which the strategy of *transformismo* was conducted.

During difficult times for Europe, with growing economic challenges, the promotion of energy efficiency was situated within a wider discourse of the European response to economic and social crisis. For instance, Hedegaard pointed out that the promotion of energy efficiency could serve as the best tool for tackling the world's debt and social crises: “When we want to adjust our economies and make them more resilient, can anyone come up with a better proposal than address energy efficiency? We must bring sustainable development from the margins of the economy to the mainstream of the global economic debate” (Lewis, 2012). As a result, the Commission's climate directorate led the strategy of *transformismo* by making its integrated energy and climate policy adaptable to new economic challenges.

Given rising levels of unemployment and social problems in the EU, the promotion of energy efficiency was connected to *job creation*. It was argued that actions in the spheres of building renovation, low-carbon vehicles, high-efficiency equipment and appliances, as well as energy performance contracting, would stimulate private investment, leading to the creation of jobs and increasing public revenues (Euractiv, 2012b). Hedegaard pointed out that improving insulation standards and retrofitting buildings would serve not only as a vital instruments to Europe's climate and energy objectives, but also create new jobs in different sectors which were hit by the crisis. According to the climate commissioner "...by raising the amount of buildings that are renovated, we create new jobs in the construction sector, in industries that are producing energy efficient building materials and appliances, and the renewable energy sector... we could create up to 1.5 million new NET jobs in all those sectors by the end of this decade. And these jobs in retrofitting business, cannot easily be outsourced" (Hedegaard, 2011b). Moreover, the Commission attempted to link demands for energy efficiency and competitiveness, thus absorbing one of the main arguments of the counterhegemonic bloc. Furthermore, in its new growth strategy, Europe 2020, the Commission considered *Resource efficient Europe* as one the flagship policy areas which could help to boost European competitiveness (EC, 2010a). Barroso pointed out: "The Commission...recognises energy efficiency as a key area for Union's competitiveness. Energy efficiency can help the EU companies to reduce operational costs and keep energy price increases under control" (Karnitschnic, 2013). Moreover, the European Commission has estimated that these efficiency measures will increase the EU's GDP by €34 billion by 2020 (EC, 2011a).

The European Parliament supported a strong energy efficiency directive. Moreover, in 2012 the European Parliament voted overwhelmingly in favour of demanding more ambitious targets for energy efficiency. The majority of MEPs viewed

energy efficiency as a solution to the economic crisis. For example, Claude Turmes, Green MEP and rapporteur on energy efficiency, said: “The energy-efficiency directive is part of the solution to the economic and social crisis. Governments were “missing the big picture” by not seeing the link between the *economic crisis* and the EU's *energy debt*. Better energy efficiency would cut the EU's annual €400 billion energy debt by up to €50bn a year. This money could be used to create new jobs in the building sector and to improve the energy competitiveness of small businesses. Jobs could be created in renovating building and installing energy-saving measures” (Taylor, 2011). The European Parliament was thus one of the leading institutions in energy efficiency discussions.

Certain capital and civil society groups supported the promotion of energy efficiency led by the Commission and the Parliament. *The Coalition for Energy Savings* and *The European Alliance to Save Energy*, two coalitions of supporters that brought together businesses groups, experts, local authorities and prominent NGOs, provided an ideational justification for the promotion of energy efficiency. The objective of these broad coalitions was to put much greater emphasis on energy efficiency and savings in EU energy and climate policy. Tony Robson, the chairman of The European Alliance to Save Energy linked energy efficiency with economic and social demands: “At a time of economic crisis, when we need jobs and economic recovery, the energy efficiency...is the EU's untapped natural resource. If there was ever a time to tap into this resource, to release its potential to power a recovery and help create a sustainable future, then that time is most certainly upon us” (Robson, 2012). In addition, The Coalition for Energy Savings highlighted that greater energy efficiency could lead to a *sustainable economic recovery*. Stephan Scheuer, Secretary General of the Coalition for Energy Savings called energy efficiency “a true kick-start for a sustainable economic recovery, creating non-exportable EU jobs and win-win way for

Europe to lead by example. Unlocking this joint political and financial effort requires an ambitious and robust Energy Efficiency Directive” (Scheuer, 2011). The metaphor of *sustainable recovery* was put forward to highlight the importance of ensuring that the economic recovery programme is conducted in such a way that it does not have a negative impact on future generations’ abilities to meet their own needs. In other words, the coalition tried to argue for a long-term perspective even in the context of immediate economic and social challenges.

Organic intellectuals played an important role in the ideational strategy of *transformismo*. For instance, supporting the Commission’s energy efficiency initiatives, Jeremy Rifkin related the Commission’s efficiency proposals to the wider idea of a third industrial revolution. Rifkin pointed out that fossil fuel energies and technologies have lost much of their potential for increasing their energy efficiency: “Fossil fuel energies have matured and are becoming more expensive to bring to the market. And the technologies designed and engineered to run on these energies, like the internal-combustion engine and the centralized electricity grid, have exhausted their productivity, with little potential left to exploit” (Rifkin, 2014). In addition, Rifkin argued that the pursuit of a low carbon revolution would significantly increase aggregate energy efficiency, leading to an unprecedented increase in productivity and growth in the next half century (Rifkin, 2014). Moreover, the Chief Economist of the IEA, Fatih Birol, claimed that energy efficiency was a central policy option to reconcile energy and climate policy objectives. Birol (2012) explained “Not to push for the energy efficiency measures is another way of asking for higher emissions, higher energy import bills and higher energy insecurity. So, therefore I think it is must that we all have to push the energy efficiency measures throughout the energy supply chain”. Moreover, certain organic intellectuals helped to absorb counterhegemonic ideas that focused on short-term economic gains. For example, Stern underlined the importance

of energy efficiency as an opportunity for promoting growth and employment. According to Stern (2009) “We can insulate our homes and get unemployed construction workers into work“. Organic intellectuals therefore promoted ideological *transformismo* by contributing to the establishment of a common sense in which energy efficiency was considered as a central area to reconcile both long-term European interests and particular short-term demands.

In the process of *transformismo* the low carbon bloc led by the Commission aimed to bring together the widest possible coalition of interests. Energy efficiency was also used as an instrument to try to co-opt capital groups and other state and non-state actors into the low carbon bloc. In other words, the low carbon bloc saw an opportunity to attract different capital groups by depicting energy efficiency as an economic activity which would benefit a wide range of industrial groups and energy companies. By using energy efficiency, the low carbon bloc gained some support from certain capital groups, especially from construction, insulation and its related manufacturing industries. However, resistance from the largest energy intensive industries and energy groups such as EDF and German was obvious. The main reason for this was a requirement for utilities to make energy savings equivalent to 1.5 percent of their annual sales each year from 2014 to 2020 (EC, 2011b). Big energy corporations would thus have to decrease the volumes of gas and coal they used for electricity generation. In other words, the implementation of this legislation would substantially reduce their profits from energy sales. Nicola Rega from Eurelectric made it clear: “Governments have to deliver energy savings, but want low energy prices. The concern is that energy companies will end up paying for everything” (Rega, 2012). Moreover, the largest European business association, BusinessEurope, named the Energy Efficiency Directive an *energy cutting* and therefore a *growth-cutting* directive. According to Philippe de Buck, director-general of BusinessEurope, “The

current...package does not match what industry expects from our legislators. We need a flexible not a bureaucratic directive, and above all one which does not confuse energy efficiency with prescriptions on cutting energy consumption" (Euractiv, 2012a). Furthermore, resistance was also expressed by energy intensive industries such as chemical, aluminium or steel manufacturers, who feared that struggling power utilities would pass on the extra costs to their industrial customers, thus forcing them to move abroad or to close. As Rega explained "If the energy efficiency directive was passed...big industries would inevitably end up paying more" (Rega, 2012). The largest industrial and energy corporations were therefore opposed to the Energy Efficiency Directive.

DG Climate Action was able to rally support for energy efficiency within the Commission and lead *transformismo*. In general, the Commission was united in its policy orientation. Compared with the issues of renewables and CO₂ emissions, there was unanimous support for the adoption of the Energy Efficiency Directive. For example, Oettinger (2013), the EU energy commissioner, pointed out "...there is a vast amount of untapped potential to save energy, which would save money for individuals and businesses alike...action on energy demand has the most potential with immediate impact for saving energy, reducing waste and maintaining our competitiveness". In addition, Antonio Tajani, the EU Commissioner for Enterprise and Industry, viewed energy efficiency as a new opportunity for European industry. Tajani (2012) explained that "Energy efficiency presents an agenda of opportunity for Europe. It is one of the only sectors today that can provide concrete solutions for the economic recovery and job creation by increasing the innovation and competitiveness of European industries. Energy efficiency can also help to...reduce the expensive energy bills for both businesses and EU citizens". As a result, at this time of high economic uncer-

tainty, the refocusing of the low carbon energy future towards energy efficiency helped to strengthen unity within the Commission.

The Commission was not able to co-opt certain member states in the low carbon bloc (Interview 12). For example, the Commission was in close cooperation with Denmark, which at this time chaired the Council and was at the centre of the existing sustainable historical bloc. The fact that Denmark chaired the Council and collaborated closely with Commission was an important factor (Interview 12). Denmark's Prime Minister, Helle Thorning-Schmidt, argued (2012) that energy efficiency is a policy which can reconcile both short-term and long-term interests: "If Europe is to thrive in a new world order...You are needed to create green growth in Europe. The Commission estimates that their proposal for a new energy efficiency directive will deliver about two million new jobs. This clearly illustrates the potential of pursuing the green agenda". Moreover, even Poland, a country which blocked two of the EU's long-term energy and climate strategies, expressed clear support for energy efficiency. According to some energy experts: "Unlike other climate targets, power savings have a clear business case in Poland, for their ability to increase energy independence while lowering costs to industry, electricity prices..." (Euractiv, 2013). Moreover, an official in the Polish government admitted that, because of the structure of its economy, energy efficiency is Poland's preferred climate and energy policy tool (Euractiv, 2013).

Despite some support, the low carbon bloc was not able to bring about a wide coalition of interests in support of the Efficiency Directive. Some energy officials, who were directly involved in negotiations, claimed that the UK, Germany and Spain were against efficiency legislation (Interview 12, 3). One could argue that the positions of these countries were constrained by the structural power of vital sectors of capital. In certain countries the interests of energy intensive manufacturing, large en-

ergy corporations and “financial capital“ were prioritised because these groups were seen not only as the core sectors of economy, but also as sectors which would lead the economic recovery. For example, the position of Germany was structurally constrained because industrial competitiveness and a stable supply of energy were seen as integral parts in fuelling its economic engine. In other words, Germany feared that its support for the Energy Efficiency Directive, as it was proposed by the Commission, would undermine the competitive position of its industrial sector and would aggravate the financial challenges faced by energy utilities, thus diminishing energy security. According to some experts: “...the backlash was overwhelming. BDEW, the powerful German energy association representing utility giants RWE, E.ON and EnBW, came out strongly against the Commission’s proposals; German economics minister Philip Rosler joined them, publicly condemning the directive just before its release” (Riley and Hope, 2011).

One should also take into account structural constraints in explaining the UK’s opposition. The UK government feared that, by accepting a strong efficiency directive, its energy industry would shy away from investments which were urgently needed in order to ensure stability of its energy supply and growth model. The UK’s secretary for Energy and Climate Change, Chris Huhne, warned of possible blackouts: “We have to stop dithering – you can have blackouts or you can have investment. Which do you want?” (Harvey, 2011b). In addition, Huhne called for a new "dash for gas" and promised that a new emissions performance standard would be set at a rate that favoured gas. As Huhne stated: “We are sending a clear signal that we do want new gas” (Harvey, 2011b). The UK therefore aimed to water down the directive because it feared that the requirement to reduce gas volumes for power generation companies would make potential investors more reluctant to invest in the energy sector.

In explaining Spain's opposition to the Energy Efficiency Directive one should not neglect to note the structural power of financial capital, among other factors. Given significant fiscal challenges, Spain saw energy efficiency as an additional financial burden for its massively indebted energy sector. According to some analysts "Spain has offered no constructive proposals at all, and has supported the worst ideas of other Member States to weaken the Directive. It is in complete denial of the boost the energy efficiency directive could give to its ailing economy" (CAN Europe and FOE, 2012). Feeling pressure from the credit rating agencies, the Spanish government had to impose economic austerity to bring the country's public finances under control. As has been argued by some experts: "Spain...claims implementing the legislation will be too costly for its already tight austerity budget" (Euractiv, 2012d). Moreover, during the negotiations regarding energy efficiency, Spanish bond yields reached unsustainable levels after one of the rating agencies downgraded its rating. The government worried that energy efficiency would put country's finances under more strain, thereby threatening its entire financial system. As a result, Spain's opposition to the Energy Efficiency Directive can be explained by assessing its structural dependence on financial capital groups.

Conclusion

In this chapter the neo-Gramscian account has provided several explanatory factors. First, compared with more mainstream theoretical perspectives, in this chapter I underlined the distinct role of the EU Commission in attempting to articulate and promote long-term European energy policy. An important explanatory ingredient in Chapter 6 concerns the analytical concept of *transformismo*. The neo-Gramscian perspective provides a dynamic account of the struggle between hegemonic and counter-hegemonic groups. The concept of *transformismo* explains what happens when a hegemonic bloc is challenged. For example, when certain internal or external actions

or events dislodge those elements that have been the basis of partial hegemony, the existing bloc attempts to react by reorganising the hegemonic order, respecifying goals, and neutralising and channelling popular initiatives so that the counter-hegemonic initiatives are destroyed and relations between different actors reimposed. In this chapter, the use of poststructuralist logics in the discursive domain revealed how the counterhegemonic bloc led by the Commission, in the process of *transformismo*, tried to break up the chain of equivalences that linked climate, security and competitiveness (growth) demands. Due to its state-centric focus, the liberal inter-governmentalist approach would not be able to explain the important role of the EU Commission and other non-state players in leading a neo-Gramscian strategy of *transformismo*. In this chapter I argued that these players were not passive followers of signals from member state governments, but rather themselves attempted to neutralise potentially dangerous counter-hegemonic arguments and to adapt them to the low carbon discourse through the use of various rhetorical and discursive instruments. Although the supranationalists emphasise the more decisive role of the Commission and non-state actors, this approach does not elaborate on the question of power. As illustrated in this chapter, due limited material resources, the Commission often relies on discursive power in the process of *transformismo*, i.e. the Commission and other players attempted to neutralise opposing ideas by focusing on energy efficiency proposals.

There are aspects to the constructivist approach that resonate well with my own, especially the important role of ideas in the process of *transformismo*. Nevertheless, I do not treat ideas as independent elements but as reciprocally related to other dimensions of power, i.e. the material and institutional (organizational). Moreover, as I argued in the previous section, despite reciprocal relationships between all three dimensions of power, there might be certain autonomous events or situations which

do not depend on the interaction between these dimensions. In this chapter I argued that the Commission and other players tried to rearticulate a low carbon discourse by reflecting on changes in material and institutional circumstances. For example, given the economic and financial crisis, the historical bloc tried to put forward new arguments regarding growth and competitiveness which were embedded in a discourse of energy efficiency. In order to understand the dynamics of discursive contestation and to operationalise the process of *transformismo*, the neo-Gramscian account is supplemented by the post-structuralist political logics of equivalence and difference. The low carbon bloc therefore attempted to situate the promotion of energy efficiency within a wider discourse of the European response to economic and financial crisis.

Conclusions

In this dissertation I have argued that, since the 1990s, EU energy policy has been a subject to several considerable shifts in the prominence of various objectives, beginning with energy liberalisation in the 1990s, then shifting towards energy security as well as climate change in the 2000s, and again liberalisation at the end of the 2000s. In order to explain these shifts I have used a historical institutionalist perspective to portray the EU Commission as a distinctive player in the development of European energy policy. I argue that the Commission can be viewed as a forward-looking pro-growth institution that attempts to address collective action problems and build consensus. This broader focus is imprinted in the Commission's historical set up, its organisational DNA, which was strongly influenced by Jean Monet and the principles of French public administration, stressing "*dirigisme*" and active intervention in the economy. In other words, the Commission was established as a classic technocracy, populated with experts whose main objective was to ensure the protection of common European interests through economic planning and promoting long-term economic growth. The Commission was established to help secure post-war peace through supervising and managing the broader elements of economic development, rather than merely focusing on the growth of GDP. These objectives were seen as mutually reinforcing; the promotion of economic development was viewed as condition for sustained post-war peace, while peace is necessary for economic development. Moreover, the Treaty of Paris envisaged that the High Authority (the predecessor to the European Commission) of the European Coal and Steel Community (ECSC) would be responsible for the supervision of economic development, growth in trade, and modernisation. I therefore argue that the EU Commission was created with a historical mandate to ensure Europe's forward-looking pro-growth orientation.

The Commission pursued its pro-growth stance across different phases of energy policy development. For example, in Chapter 2 I argued how, in order to support long-term economic revitalisation, the Commission addressed liberalisation and the creation of a common energy market as a key element in increasing Europe's competitiveness and efficiency. In Chapter 3 I explained how, given growing contradictions at the end of 1990s between a dependence on energy imports and long-term economic sustainability, some in the Commission saw nuclear power as a way to reconcile these issues. In the mid-2000s the Commission proposed a programme of energy and climate policy integration through low carbon measures such as increases in renewable energy, energy efficiency, and a reduction in CO₂ emissions. As was argued in Chapter 4, these objectives were included in the 2008 energy and climate package which was viewed by the Commission as an important element for Europe's long-term decarbonisation policy. In Chapter 5 I explained how, at the end of the 2000s, as a response to economic crisis and growing contradictions between long-term and short-term interests, the Commission adjusted its low carbon orientation and proposed energy efficiency as an integrative solution which could address both short-term concerns of economic growth and long-term issues of low carbon transition. Throughout these different periods the Commission has consistently adopted a long-term pro-growth orientation regarding energy policy development.

Due to heterogeneity and the complexity of energy policy there were disagreements within the Commission with regards to a long-term energy policy vision. Moreover, the Commission's forward-looking orientation often clashed with the particular, often short-term, interests of member states and other non-state players. States are not homogenous as they have each different capital accumulation regimes, diverse energy mixes, as well as diverse political and economic traditions. One distinctive feature which differentiates the Commission from national governments is its relation

to capital. As I explained in Chapter 1, in contrast with member states, the Commission is able to transcend the structural constraints of capital and take a broader view in order to promote common European interests. In relation to capital, the difference between national governments and the Commission is that the Commission is not a directly elected institution. Vote-seeking politicians at the national level are sensitive to the impact of their decisions on the short-term views of voters and businesses. This gives businesses structural influence vis-à-vis national governments' decision-making processes. For example, as I argued in Chapter 5, Poland strongly opposed the Commission's low-carbon policies as it is structurally dependent on coal industries which play a significant role in its economy and energy security. One can thus argue that the Polish government's survival and legitimacy is structurally constrained by the coal industry.

The Commission, on the other hand, is not a directly elected institution; it is therefore not structurally dependent on continued growth and investment. Although, the Commission does not depend on capital for taxes or the provision of employment, it cooperates with progressive climate-friendly businesses in order to strengthen the material base of its forward-looking policies. The relationship between the Commission and capital could be defined as mutual cooperation rather than structural dependence. For example, as I explained in Chapters 4 and 5, businesses often compete in Brussels for new investment opportunities provided by the Commission's R/D funds, as the Commission seeks to impact the investment decisions of capital in order to promote long-term growth and technological advancement. For instance, the Commission has provided various financial support mechanisms and opened investment opportunities for certain businesses in the low-carbon energy area. Moreover, as I have argued, the Commission's forward-looking vision is driven by its historically set

objectives to sustain peace in Europe and provide opportunities for economic development.

I argue that the Commission's legitimacy derives from its ability, as a supra-national institution, to take effective decisions that promote peace and economic development in Europe, as well as its role in addressing collective action problems. In order to achieve these objectives the Commission takes a broad, long-term view of growth and investment, and seeks to ensure a more inclusive economic development. As the Commission does not possess significant material or financial resources, its legitimacy depends to a large extent on support from, and the consent that is provided by, civil society groups. For example, in Chapter 4 I argued that the Commission cooperated with churches and other groups in order to promote the legitimacy of its low-carbon policies. As we have seen, the Commission often cooperates with, and tries to find a consensus among, progressive businesses, civil society groups and other state and non-state players, when this cooperation was beneficial for long-term European interests.

Another important feature of my research is the unpacking of embedded hegemonic struggles between different players with heterogeneous energy interests and ideologies in order to explicate how collective action problems in EU energy policy development are addressed. One criticism of historical institutionalism is that it does not reveal elements of endogenous change. By focusing only on external events or, in the parlance of historical institutionalism, historical junctures, we are missing how agency factors in the shaping of EU energy policy. It is hard to believe that, with the high number of actors involved in EU politics, agency-led actions are of no significance. The use of neo-Gramscian analytical concepts entailed in the strategy of hegemonisation has helped to explicate what took place during different policy phases. As I have explained, contestation at the EU energy policy level often begins with

exogenous events or crises that open a space for endogenous struggles between different players within the material, institutional (organisational) and discursive domains.

For example, at the end of the 1990s, the third oil shock created a temporary vulnerability in the existing energy order and thus opened a space for contestation. The Commission's response during these crises or shocks was often long-term and pro-growth oriented. It often clashes with actors representing narrower specific interests. The neo-Gramscian account unravels the dynamics of endogenous struggle, as well as affording mechanisms and strategies for tracing contestation regarding energy policy. Moreover, the neo-Gramscian approach, through its focus on discursive actions, is useful in analysing collective action problems. For example, motivating myths, and powerful narratives or images, are often the mechanisms through which a group attempt to address these collective action problems. The neo-Gramscian perspective helps to explore how the opposing players of a counter-hegemonic bloc attempted to dismantle the Commission's hegemonic formations and protect their own particular interests. In the rest of this chapter I will provide my main theoretical and practical conclusions, as well as to addressing future debates regarding European energy policy.

1. Theoretical implications

The use of historical institutionalism has driven one of the most distinctive features of my research, a new way of looking at the role and interests of the EU Commission. I have consistently argued that the Commission is a forward-looking pro-growth oriented institution. In studying the role of the Commission, the liberal intergovernmentalists are too simplistic. Depicting the Commission only as a follower of the interests of states, liberal intergovernmentalists fail to account for the rich empirical evidence of the Commission's behaviour provided in this research. Alt-

though I accept that states play a significant role in energy policy development, this research has shown that the Commission is much more than a servant of the interests of certain states. As we have seen, the Commission was one of the leading forces of change during the various phases of EU energy policy development. For instance, in the early-1990s the Commission was at the forefront of policy liberalisation. In addition, the Commission was the leader of EU decarbonisation policy.

The supranationalist focus on the logic of spillover, that is essentially a deterministic structural pressure, underestimates the importance of the Commission's historical institutional DNA. Although I accept that one of the Commission's roles is to cultivate and promote the ground for integration through its role of mediator, this approach misrepresents and underestimates the other roles and interests of this EU institution. What is missing is a recognition that, in addition to its political role in ensuring European peace, the EU Commission was historically established to promote the broader interests of economic development for all of Europe.

Due to uncertainty regarding the role of agency, more radical forms of constructivism and post-structuralism cannot explain the Commission's attempts to provide forward-looking energy policy. They would view the struggle over the development of EU energy policy as a purely discursive construction. In addition, the strong focus of certain post-structuralist accounts on the formation of national discourses does not allow us to reveal how the Commission pursued hegemonic ideas at the EU level. Moreover, some discourse-based theories of hegemony are unable to make distinctions between the levels at which hegemony operates and focus only on the articulation of subject positions within a discourse. In addition, hegemony is here perceived as a textual matter that is cut-off from the extra-discursive world. In other words, by detotalising and decollectivising any sort of representation, some post-structuralist perspectives minimize the proactive and important role of the Commission in promot-

ing hegemonic projects during different phases of European energy policy. Moreover, as this research has shown, the Commission, although with limited resources, together with other players has consciously promoted hegemonic projects and strategies at the material, institutional, and discursive levels. Although the post-structuralist perspective could contribute to an analysis of EU energy policy by analysing the creation of deeper hegemonic conditions that affect the identities of the Commission and other players, such analyses go beyond the remits of my research. My research has rather sought to analyse and explain hegemonic struggles within the EU, focusing on the concrete hegemonic projects and practices promoted by the Commission and other players.

The relevance of Commission's historical set up is often ignored in the EU literature. We can better explain the Commission's role and interests in the EU policy domain if we take into account its historical DNA. This new way of looking at the EU Commission could be transferred to other policy domains outside energy. As there are an increasing number of policy areas discussed at the EU level, with a variety of different players concerned, the Commission's forward looking view helps to explain how certain policy initiatives emerge, why certain arguments are promoted, and how these arguments relate to the Commission's initial interests. For example, studies of the development of telecommunication or transport policies in the EU could be better explained if we take into account the Commission's path-dependent features of its organizational character and historical make-up. The energy, transport and telecommunication sectors were dominated by monopolies providing services of relatively low quality and extremely high costs. Since the monopolists are short-term profit maximisers these policy domains are seen by the Commission as the targets to protect common European interests by applying its long-term pro-growth orientation. Other theoretical accounts are thus limiting of our understanding of the Commission's inte-

grationist role. We must view the actions of the EU Commission in light of its historical set up in order to advance our understanding of its role and interests.

This research has contributed to the development the neo-Gramscian theory. As I have argued, I have used the neo-Gramscian perspective on hegemonisation to unravel embedded contestation between the common European interests pursued by the Commission, and the particular interests of other state and non-state players. There are some limitations of the neo-Gramscian account which I have addressed in my research. First, the neo-Gramscian perspective provides only a vague definition of certain analytical concepts and does not always provide clear analytical mechanisms that are of practical use. Although the discursive domain plays an important role in the process of hegemonisation, the neo-Gramscian account lacks mechanisms to explain hegemonic contestations over ideational dimensions during the different phases of energy policy development. My research has used the post-structuralist logics of equivalence and difference in order to flesh out how the Commission and other players constructed their hegemonic ideas and arguments, as well as to operationalise the neo-Gramscian strategy of *transformismo*. In other words, I have applied these logics as descriptive framing devices to show how different players strategically couple or decouple different demands in hegemonic and counter-hegemonic arguments. For example, in Chapter 5 I argued that the low carbon bloc led by the Commission tried to absorb potentially dangerous ideas by adjusting them to the discourse of decarbonisation. The low carbon historical bloc thus tried to accommodate conflicting ideas and create a chain of equivalence between different demands through the use of the logic of equivalence.

In a similar way, I have analysed the institutional dimension of the neo-Gramscian perspective by using the Rikerian logic of heresthetics. In the neo-Gramscian tradition, explanations of the institutional or organizational dimension are

often limited to certain “soft” actions such as the creation of forums or the organization of demonstrations. The use of heresthetics broadens our understanding of the institutional level as it allows us to explain how different players try to strategically manipulate the dimensionality of certain issues in order to acquire consent at the institutional level. In Chapter 3 I argued how the pro-nuclear bloc attempted to expand the dimensionality of the nuclear debates in order to increase institutional support for its Nuclear Package. For instance, the Commission linked the adoption of the Nuclear Package with the process of EU enlargement. The objective here was to use the issue of enlargement to create a unanimous and centralized EU position on nuclear safety and regulation.

These improvements enrich our understanding of the neo-Gramscian account by making it more applicable in practice. I have provided clearer mechanisms and shown how the neo-Gramscian strategies of hegemony can be executed in practice. One of the criticisms of the neo-Gramscian approach is that it is overly theoretical and somewhat vague when it comes to practicality. For Gramsci, theory and practice are internally related as change does not automatically follow economic developments but is produced by historically situated players. Moreover, I moved from a merely theoretical conceptualisation of hegemony towards more a practical operationalisation of the concept. The neo-Gramscian approach, enhanced by elements of post-structuralism and heresthetics, could be applied as an analytical mechanism to reveal endogenous processes of change and to widen our understanding of the role of agency at the EU level. In this respect, an enhanced neo-Gramscian account provides the direction and methodological tools to better reveal the importance of agency factors in the struggle for EU energy policy hegemonisation.

A key observation of my research has been the difficulty in extracting the theory of hegemony at the EU level in an accurate Gramscian sense that could be de-

defined as the manufacture of consent, or domination by consent. Due to the fact that the EU is a more complex and heterogeneous environment than a national state, it is difficult to perceive how long-lasting hegemony could be formed when there are such different players with conflicting interests and ideologies. One must thus be flexible in interpreting Gramsci and in applying his analytical concepts to the area of EU politics. At its best, what this theoretical approach can show us is the formation of “partial hegemony” or a “moment of hegemonic order”. This also applies to other multifaceted areas of IR, including the use of the neo-Gramscian model of hegemony for the analysis of international regimes regarding trade, environmental and economic issues, as well as conflict resolution. The usefulness of the Gramscian approach on hegemony therefore comes not from a strict and orthodox usage, but from a more flexible application that describes and explains a specific ensemble of economic, institutional and discursive relations that bind players together in a hegemonic struggle. In other words, the explanatory power of the neo-Gramscian concepts of hegemony, historical bloc, war of position, *transformismo*, civil society, and organic intellectuals provide a basis for a comprehensive understanding the processes and struggles surrounding the development of EU energy policy.

2. Practical implications

As this research has shown, the Commission has not been entirely successful in creating a hegemonic order in the EU energy domain. Only from the mid-2000s could one see the creation of partial hegemony when there was a quite remarkable material, institutional and discursive unanimity regarding Europe’s decarbonisation policy. This raises some important practical questions regarding why the Commission and other players were successful in creating at least a moment of hegemonic order. It must be clarified that I do not intend to provide any causal explanation of why he-

gemony is (or is not) constructed, but rather elaborate on some interesting insights generated by my research.

Exogenous shocks (events) create opportunities for the Commission to promote its long-term pro-growth policy orientation. In order to understand why the Commission was more successful in creating partial hegemony over decarbonisation policy in the 2000s, one must make a distinction between the organic phenomena that challenges the entirety of the existing order and conjunctural (economic) crises, day-to-day politics that operates within the framework of the existing order. In contrast with other periods, in the mid-2000s, several significant external shocks helped the Commission to generate a momentum of organic crisis for its forward-looking energy decarbonisation policy. As explained in Chapters 2 and 3, the existing economic (energy) order based on the use of fossil fuels was not challenged in the 1990s or early 2000s. The Commission's long-term response was triggered by conjunctural events (shocks) such as decreases in competitiveness and GDP in Europe in general, as well as the sudden rise in oil prices. The capitalist model is historically prone to economic cycles and variations in energy prices, so these changes could be viewed as cyclical downturns. Nevertheless, the spikes in oil prices throughout the 2000s, growing environmental disasters, the gas supply disputes and the cut off of supplies to Europe, were all-important factors that triggered an organic crisis and opened a space for the Commission to challenge the entire capital-energy relationship by promoting its low-carbon energy order. As analysed in Chapter 4, these events caused a series of debates about fundamental moral, ethical and intellectual questions regarding the sustainability and viability of a fossil fuel based capitalist model of growth. One of the differences from the unsuccessful hegemonisation attempts of the 1990s is that, in the 2000s, exogenous shocks led to the emergence of organic crisis, a situation of visible and growing disequilibrium within the system. This organic crisis could be consid-

ered an important pre-condition for the new hegemonic formation as it trembled the foundations of the existing energy order.

A successful process of hegemonisation at the EU level requires full unanimity within the Commission. In Chapters 2 and 3 I argued that, during energy liberalisation and nuclear policy debates, there were disagreements within the Commission as to how to proceed with its long-term policy orientation. In the mid-2000s there was a strong unanimity in the Commission regarding decarbonisation policy. One could argue that unanimity must be created by internal hegemonic process. For instance, in Chapter 4 I argued that the Commission's Secretariat General (SG) contributed to the creation of a common and coherent energy vision through the use of organizational and discursive actions within the Commission. For example, various internal events were organized within the Commission in order to strengthen the coordination of the low carbon agenda. In addition, the SG pursued actions at the discursive level in order to move beyond the issue of environment and to incorporate energy security and competitiveness elements into a coherent narrative. As a result, in order to pursue successful hegemonisation at the EU level, the Commission must establish internal coherence and unanimity.

Successful hegemonisation requires strong support from a variety of different civil society groups that can reach out to the public and contribute to the creation of policy discourses. In the 1990s and the early-2000s, the Commission was not able to acquire support from civil society groups. For example, in Chapters 2 and 3 I showed how the Commission's liberalization and nuclear initiatives were harshly criticized and rejected by a majority of social and environmental NGOs. The success of the war of position towards decarbonisation in the mid-2000s thus rested on the active participation of different civil society groups who contributed to the formation of a hegemonic low carbon energy order by strengthening the ideological and organisational

dimensions of power. Strong and wide support from a variety of civil society groups is thus an important element for successful hegemonisation.

Hegemonic order cannot be created without support from different organic intellectuals who address collective action problems by providing certain motivating myths. In contrast with other energy policy periods, when the role of organic intellectuals was limited to a particular area, in the mid-2000s the Commission's decarbonisation agenda was supported by a range of different intellectuals. These intellectuals reinforced certain ideas and images regarding the need to proceed with a low carbon energy agenda. For example, Jeremy Rifkin promoted the myth of Third Industrial Revolution, a powerful narrative which contributed to the creation of unity among various players with regards to the low carbon future. Rifkin argued that the combination of the internet and renewable energy technologies would help to create a balanced and mutually beneficial economic order. Moreover, Nicholas Stern contributed to economic calculations of effects of climate change. The release of the Stern Review helped to promote a myth of urgent action, i.e. that the world will be much better off if it deals with climate change sooner rather than later. In contrast with other periods, the myths promoted by these organic intellectuals were oriented towards a positive and victorious future. For instance, although accepting an increase in short-term costs, Stern's report argued that urgent economic transformation would lead to a better life for billions, from city dwellers to farmers. Furthermore, Al Gore's movie "An Inconvenient Truth" helped to develop visual and mental images of the multi-dimensional effects of global warming on drought patterns, rates of extinction, storm strength and the pace of the melting of polar ice sheets and sea ice. In addition, there were other organic intellectuals who were active in changing perceptions of the status quo in the fields of energy security, environment and economics.

It is easier to create hegemonic order at the EU level when the Commission's long-term pro-growth orientation is not overshadowed by the structural power of business. As has been argued, on the contrary from member states, the Commission is able to transcend the structural constraints of capital and take a broader view in order to promote common European interests. Moreover, there was a lack of major progress in the EU energy domain in the 1990s as the structural power of business and the particular interests of certain member states went against the Commission's attempts to promote a forward-looking energy order. However, in the 2000s, growing support in the Council for the Commission's hegemonisation initiatives showed that, due to changes in the strategies of business, some member states and corporations were willing to support the Commission's decarbonisation initiatives.

As my research has showed, the Commission is quite limited as a hegemonic entrepreneur and possesses low resources relative to big nation states attempting to create hegemony at the domestic level. The Commission's powers are largely discursive and, while it can provide some material resources, they are limited. For example, in the mid-2000s, the material level of neo-Gramscian hegemony was significantly strengthened as investments in renewable energy and energy efficiency increased considerably. This was not so much because of the Commission's increased financial capabilities but rather because, in the midst of the economic boom, some large businesses saw renewable energy as a profitable investment opportunity. In contrast with earlier periods, the shifting attitudes of certain capital groups in the mid-2000s generated the material momentum for low carbon hegemony. Moreover, the Commission is quite restrained when it comes to action at the institutional level of hegemony as its proposals require the consent and approval of the Council and Parliament. Growing institutional support for decarbonisation in the mid-2000s can also be explained partly by the Commission's actions, as some of its heresthetic strategies contributed to the

mobilisation of new member states, but also by the structural power of certain capital groups which affected the decisions of national governments. Persuasion and providing ideas that others can follow are important hegemonic tools, yet they are unlikely to be sufficient for creating a successful hegemony. One could argue that, in the EU context, idea-based leadership needs to be accompanied by action at the material and institutional levels to make hegemonisation a viable strategy. As a result, the Commission is constrained and has relatively low resources aside from discourse and persuasion.

This research provides practical insights regarding the Commission's attempts to create a successful hegemonic order. These observations are by no means causal explanations. I have argued that partial hegemony, or a moment of hegemonic order, is more likely to be achieved if simultaneous external shocks open contradictions within an existing order, leading to an organic crisis which creates an opportunity for the Commission to question the existing order and promote its long-term policies. Moreover, unanimity must be created within the Commission before achieving successful hegemonisation at the EU level. The Commission also needs wide support from different civil society groups and a variety of organic intellectuals who help to address collective action problems.

3. Future Policy Debates

What do these conclusions imply in terms of EU energy policy developments in the coming years? Given the Commission's long-term orientation, what future challenges is it likely to face in the EU energy policy domain? While I will not be presenting different scenarios for future energy policy developments, I will however elaborate on potential areas of conflict in the coming years.

The current economic crisis has slowed down progress towards a low carbon policy. As the economy recovers, energy-climate integration will remain the central

element of the Commission's long-term policy approach. Due to growing geopolitical tensions between the EU and Russia, the focus of the energy-climate duality will probably move towards energy security. At the discursive level, narratives will more likely be framed around the security of energy supply and the unpredictable and unsustainable reliance on Russia for energy imports. However, in following next years it will be difficult for the Commission to sustain energy-climate integration through the low carbon link, i.e. investments in renewables, energy efficiency and biofuels. First, the persistence of low oil and gas prices could have negative consequences for green energy investment. This may eventually trigger opposition from a number of member states which might not be willing to commit themselves to expensive green energy investments and would prefer to invest in cheaper gas. Europe's largest oil and gas corporations might well use growing security concerns to try and refocus the narrative towards the use of gas as the most secure and cost-effective route to a low-carbon future. There might be arguments promoting gas as an ideal partner to renewables, and focusing on the potential of gas to solve the issue of renewable intermittency. In addition, investments in shale gas development will impact Europe's energy security situation. Given growing energy security concerns in Europe triggered by Russian military posturing, some member states might prefer to invest in shale gas at the expense of renewable energy technologies. Growing opposition in the Council could increase pressure for the Commission to accept a more distinct role for gas in Europe's long-term energy vision. In addition, this could split the Commission's long-term energy policy orientation. For instance, energy and climate commissioners could have different views on the role of gas. The shift towards gas could alienate many civil society groups which prefer to concentrate on truly clean renewable energy. The prospects of developing common EU energy policy will depend on the Commission's ability to frame the policy in such way that it addresses not only its long-term policy

orientation, but also incorporates the conflicting interests of other players. As a result, in the context of the growing prominence of energy security in Europe, the role of gas in Europe's low carbon future could be the next major struggle between the Commission and other state and non-state players.

In general, the next few years of progress towards a common European energy policy is likely to be uneven and ambiguous. The Commission will try to play an important role in promoting its long-term policy orientation. However, there will be growing opposition from member states and non-state players which will attempt to secure their particular, often short term, interests at the expense of common European interests. The clash between these interests will not disappear unless the Commission gets more powers to directly influence the energy mix choices of member states.

Perhaps the biggest factor is uncertainty. As this research has explicitly shown, energy policy is prone to inconsistency and uncertainty due to the complex and unpredictable factors involved. In addition, a lot of what drives EU energy policy developments is exogenous to EU processes, for example, globalization in the case of market liberalization. Looking ahead, it is uncertain whether oil and gas prices will stay so low, what will happen during the Paris climate summit at the end of 2015, how fast the European economy will recover, and whether the US will open its gas reserves for global exports. All these and many other factors will determine the course of EU energy policy in the future.

Bibliography

Adelle, C., Withana, S. (2008) EU and US Public Perceptions of Environmental, Climate Change and Energy Issues. Institute for European Environmental Policy [online]. Available from:

http://www.ieep.eu/assets/382/eu_us_public_perceptions.pdf.

AFP (2002) *EU Insists On Shutdown Of Unsafe Nuclear Reactors*. SpaceDaily.com [online], 23 April. Available from: <http://www.spacedaily.com/news/nuclear-civil-02r.html>.

Ahmed, N. (2013) *Former BP geologist: peak oil is here and it will break economies*. The Guardian [online], 23 December. Available from:

<http://www.theguardian.com/environment/earth-insight/2013/dec/23/british-petroleum-geologist-peak-oil-break-economy-recession>.

Allmendinger R. (2007) *Peak Oil?* Cornell University [online]. Available from: http://www.geo.cornell.edu/eas/energy/the_challenges/peak_oil.html.

Alter, K., Steinberg, D. (2007) The Theory and Reality of the European Coal and Steel Community IN Meunier, S., Kathleen, M., eds. *Making History: European Integration and Institutional Change at Fifty: The State of the European Union*. UK: Oxford University Press.

Andersen, S. S. (2000a) *EU Energy Policy: Interest Interaction and Supranational Authority*. ARENA Working Papers [online], 5. Available from: http://www.sv.uio.no/arena/english/research/publications/arena-publications/workingpapers/working-papers2000/wp00_5.htm.

Andersen, S. S. (2000b) *European Integration and the Changing Paradigm of Energy Policy The case of natural gas liberalisation*. ARENA Working Papers [online], WP 99/12. Available from:

http://www.sv.uio.no/arena/english/research/publications/arena-publications/workingpapers/working-papers2000/wp00_13.htm.

Andersen, S. S. (2001) Energy Policy: Interests interaction and supranational authority IN Andersen, S. S., Eliassen A. K., eds. *Making Policy in Europe*. UK: Sage Publications.

Andrée, P. (2004) The Genetic Engineering Revolution in Agriculture and Food: Strategies of the “Biotech Bloc“ IN Levy, L. D., Newell, P. J., eds. *The Business of Global Environmental Governance*. US: MIT Press.

Annett, I. (2010a) *Historical Institutionalism as a Regional Integration Theory: Theory: An outline of theory and methodology*. Fifth Pan-European Conference on EU Politics, pp.2-11.

Annett, I. (2010b) The case of the EU: Implications for Federalism. *Regional and Federal Studies*, 20(1), pp.107-126.

Apeldoorn, van B. (2002) *Transnational Capitalism and the Struggle over European Integration*. UK: Routledge.

Apeldoorn, van B. (2009) The Contradictions of ‘Embedded Neoliberalism’ and Europe’s Multi-level Legitimacy Crisis: The European Project and its Limits IN Apeldoorn, van B., Drahokoupil, J., Horn, L., eds. *Contradictions and Limits of Neoliberal European Governance*. US: Palgrave Macmillan.

Apeldoorn, van B., Overbeek, H., Ryner, M. (2003) Theories of European Integration: A Critique IN Cafruny, A., Ryner M., eds. *A Ruined Fortress? Neoliberal Hegemony and Transformation in Europe*. US: Rowman & Littlefield Publishers.

Augelli, E., Murphy, C. (1997) Consciousness, myth and collective action: Gramsci, Sorel and the ethical state IN Gill, S., Mittelman, J., eds. *Innovation and Transformation in International Studies*. UK: Cambridge University Press.

Axelrod, R. (2006) The European Commission and Member States: Conflict Over Nuclear Safety. *Perspectives: The Central European Review of International Affairs* [online], 5(22), pp.5-23.

Balding, C., Wehrenfennig, D. (2011) An Organisational Theory of International Institutions. *Journal of International Organisation Studies*, 2(1), pp.7-27.

Barnard, B. (1991) EC attempt to forge unified energy market runs out of steam. *Journal of Commerce*. 22 November.

Barroso, J. (2006) *Opening speech External energy conference*. Europa Press Release [online], 20 November. Available from: http://europa.eu/rapid/press-release_SPEECH-06-711_en.htm.

Barroso, J. (2007a) *Sustainable development: Europe leads from the front*. Europa Press Release [online], 5 November. Available from: http://europa.eu/rapid/press-release_SPEECH-07-683_en.htm?locale=en.

Barroso, J. (2007b) *Europe's energy policy and the third industrial revolution*. Loyola de Palacio energy conference, 1 October.

Barroso, J. (2007c) *Beyond GDP – Opening speech Beyond GDP Conference, Brussels*. Europa Press Release [online], 21 November. Available from: http://europa.eu/rapid/press-release_SPEECH-07-734_en.htm.

Barroso, J. (2008a) *Speech to the European Parliament: 20 20 by 2020: Europe's Climate Change Opportunity*. Europa Press Release [online], 23 January. Available from: http://europa.eu/rapid/press-release_SPEECH-08-34_en.htm.

Barroso, J. (2008b) *Climate change: Commission welcomes final adoption of Europe's climate and energy package*. Europa Press Release [online], 17 December. Available from: http://europa.eu/rapid/press-release_IP-08-1998_en.htm.

Barroso, J. (2009) *Statement of President Barroso at the FAO High Level Summit on Food Security*. Europa Press Release [online], 16 November. Available from: http://europa.eu/rapid/press-release_SPEECH-09-532_en.htm?locale=en.

Barroso, J. M. (2013) *Speech by President Barroso: "Sustainable energy: The European Union and the global agenda"*. Europa Press Release [online], 31 January. Available from: http://europa.eu/rapid/press-release_SPEECH-13-86_en.htm.

Barton, L. (2015) *Windfarm wars: are they the majestic man-made wonder – or a blight on the countryside?* The Guardian [online], 18 April. Available from: <http://www.theguardian.com/environment/2015/apr/18/windfarms-are-they-a-wonder-or-a-blight>.

BBC (2000) *BP goes green*. Business [online], 24 July. Available from: <http://news.bbc.co.uk/1/hi/business/849475.stm>.

BBC (2003) *BP historic Russian deal*. BBC World News [online], 26 June. Available from: <http://news.bbc.co.uk/1/hi/business/3021786.stm>.

BBC (2004) *Why are oil prices so high*. Business [online], 28 September. Available from: <http://news.bbc.co.uk/1/hi/business/3708951.stm>.

BBC (2005) *EU faces Katrina economic effect*. Business [online], 9 September. Available from: <http://news.bbc.co.uk/1/hi/business/4226712.stm>.

BBC (2006) *Climate costs: The next generation*. BBC World News [online], 30 October. Available from: <http://news.bbc.co.uk/1/hi/sci/tech/6098124.stm>.

BBC (2009) *Nuclear Europe: Country guide*. BBC News [online], 15 April. Available from: <http://news.bbc.co.uk/1/hi/world/europe/4713398.stm>.

BBC (2010) *Why is BP important for the UK economy*. BBC News [online], 10 June. Available from: <http://www.bbc.co.uk/news/10282777>.

Belin, H. (2010) *Günther Oettinger: a friend of industry*. European Energy Review [online]. Available from:

<http://www.europeanenergyreview.eu/site/pagina.php?id=1653>.

Belyi, A. (2003) *The enlargement impact on the EU-Russia relations in energy field*. UNECE.

Bieler, A. (2000) *Globalisation and Enlargement of the European Union: Austrian and Swedish Social Forces in the Struggle Over Membership*. UK: Routledge.

Birol, F. (2012) *IEA chief: Energy efficiency directive is 'a must'*. Euractiv [online], 14 June. Available from: <http://www.euractiv.com/energy-efficiency/fatih-birol-iea-chief-energy-eff-news-513287>.

Blyth, M. (2002) *Great Transformations: Economic Ideas and Institutional Change in the Twentieth Century*. UK: Cambridge University Press.

Blyth, M. (2013) *Austerity: The History of a Dangerous Idea*. UK: Oxford University Press.

BNEF (2014) *Clean energy investment falls for second year*. Resource Centre [online], 15 January. Available from: <http://about.bnef.com/press-releases/clean-energy-investment-falls-for-second-year/>.

Bond, M (1996) *A foot in the door*. Power Europe, 28 June.

Boston, W., Torrelo, A. (2013) *EU Probes German Grid-Fee Exemptions*. The Wall Street Journal [online], 6 March. Available from:

<http://www.wsj.com/articles/SB10001424127887324582804578344410262406352>.

BP (2013) *Sustainable energy – sustainable business*. About us [online]. Available from: <http://www.bp.com/productlanding.do?categoryId=7041&contentId=7046652>.

Brandt, T. (2006) *Liberalisation, privatisation and regulation in the German electricity sector*. Pique [online]. Available from:

http://www.boeckler.de/pdf/wsi_pj_piq_sekstrom.pdf.

Breinschmid, C. (2014) *EU Beyond GDP: The potential of the EU Beyond GDP initiative to change that way how decisions are taken and how well-being is measured*.

DE: AV Akademikerverlag.

Brittan, L. (1998) *Globalisation vs. Sovereignty? The European Response*. UK: Cambridge University Press.

Bryant, C. (2013) High European energy prices drive BMW to US. *Financial Times* [online], 27 May. Available from: <http://www.ft.com/intl/cms/s/0/be69a732-ab5a-11e2-8c63-00144feabdc0.html#axzz2c83yTRUq>.

Buchan, D. (2009) *Energy and Climate Change: Europe at the Crossroads*. US: Oxford University Press.

Bunse, S., Magnette, P., Nicolaidis, K. (2005) Shared Leadership in the EU: Theory and Reality IN Curtin, D., Kellerman, A., Blockmans, S., eds. *The EU Constitution – The Best Way Forward?* The Hague: Asser Press.

Burawoy, M. (2008) Durable Domination: Gramsci meets Bourdieu. Paper presented at the Havens Center, University of Wisconsin [online]. Available from:

<http://burawoy.berkeley.edu/Bourdieu/Lecture%202.pdf>

Burawoy, M. (2012) The Roots and Domination: Beyond Bourdieu and Gramsci.

Sociology [online], 46(2), pp. 187-206. Available from:

<http://burawoy.berkeley.edu/Marxism/Roots%20of%20Domination.Sociology.pdf>

Burgess, M. (2000) *Federalism and the European Union: The Building of Europe, 1950-2000*. US: Routledge.

BusinessEurope (2014) *Industry Matters*. Recommendations For An Industrial Compact [online]. Available from:

http://www.ceoe.es/resources/image/industry_matters_recommendations_1.pdf.

Butcher, L. (2012) *Trans-European Transport Networks (TEN-T)*. House of Commons Library [online], 7 February. Available from: www.parliament.uk/briefing-papers/sn00478.pdf.

Cafruny, A. (2003) Europe, the United States and Neoliberal (Dis)Order: Is There a Coming Crisis of the Euro? IN Cafruny, A., Ryner M., eds. *A Ruined Fortress? Neoliberal Hegemony and Transformation in Europe*. US: Rowman & Littlefield Publishers.

Cameron, D. (2014) *Local councils to receive millions in business rates from shale gas developments*. Gov.uk [online]. Available from:

<https://www.gov.uk/government/news/local-councils-to-receive-millions-in-business-rates-from-shale-gas-developments>.

CAN Europe, FOE (2012) *Energy efficiency: does your Government get it?* Briefing, pp.1-11.

Cecchini, P., Catinat, M., Jacquemin, A. (1988) *The European Challenge 1992: The Benefits of a Single Market*. UK: Gower Pub Co.

Cembureau (2013) *Cembureau's Views On the Commission Communication On The 2015 International Climate Change Agreement: Shaping International Climate Policies Beyond 2020* [online], 26 June. Available from:

http://ec.europa.eu/clima/consultations/articles/0020/organisation/cement_en.pdf.

Centre for European Studies (CES) (2015) *The European Coal and Steel Community*. EU Learning [online]. Available from:

<http://carleton.ca/ces/elearning/history/moving-to-integration/the-european-coal-and-steel-community/>.

Chaffin, J. (2012) *EU agrees energy efficiency compromise*. Financial Times [online], 15 June. Available from: <http://www.ft.com/cms/s/0/c23316c4-b6fe-11e1-bd0e-00144feabdc0.html#axzz2wDDjGAi5>.

Chazan, G., Clark, P. (2013) *European utilities warn EU over energy risks*. Financial Times [online], 9 September. Available from: <http://www.ft.com/cms/s/0/19039dee-194f-11e3-83b9-00144feab7de.html#axzz2wDDjGAi5>.

Chemical Week Associates (1992) *EC ministers oppose energy liberalisation plan*. Chemical Week Market Newsletter, 10 June.

Chevalier, M. J. (2009) *The New Energy Crisis* IN Chevalier, M. J., eds. *The New Energy Crisis: Climate, Economics and Geopolitics*. UK: Palgrave Macmillan.

Cini, M. (1996) *The European Commission: Leadership, organisation and culture in the EU administration*. UK: Manchester University Press.

Clark, P. (2011) *Credibility of EU energy review questioned*. Financial Times [online], 6 November. Available from: <http://www.ft.com/cms/s/0/9cf8f93e-0865-11e1-bc4d-00144feabdc0.html#axzz2wDDjGAi5>.

Clark, P. (2012a) *Ill winds are not the end of renewables industry*. Financial Times [online], 23 December. Available from: <http://www.ft.com/cms/s/0/26988f84-4ad1-11e2-9650-00144feab49a.html#axzz2wDDjGAi5>.

Clark, P. (2012b) *Utilities warned of risk from renewables*. Financial Times [online], 6 November. Available from: <http://www.ft.com/cms/s/0/a62e1b72-2832-11e2-afd2-00144feabdc0.html#axzz2wDDjGAi5>.

Clark, P. (2013) *Renewables: a rising Power*. Financial Times [online], 8 August. Available from: <http://www.ft.com/cms/s/0/a41d86b4-ff9c-11e2-a244-00144feab7de.html#axzz38lws0DEU>.

Clercq, G., Lewis, B. (2013) *European utilities urge policy reform to avert black-outs*. Reuters [online], 11 October. Available from: <http://uk.reuters.com/article/2013/10/11/utilities-renewables-ceos-idUKL6N0I11UF20131011>.

CNN (2000) *Fuel protests sweep across Europe*. Europe [online], 14 September. Available from: <http://edition.cnn.com/2000/WORLD/europe/09/14/fuel.protests.03/#2>.

Coats, C. (2012) *European Renewables And Austerity-Italian Edition*. Forbes [online], 29 March. Available from: <http://www.forbes.com/sites/christophercoats/2012/03/29/euro-renewables-and-austerity-italian-edition/>.

Collett-White, M. (2000) *Europe's leaders firm on oil*. News24 [online], September 14. Available from: <http://www.news24.com/xArchive/Archive/Europes-leaders-firm-on-oil-20000914>.

COMECE (2008) *Annual Report 2008*. Activities [online]. Available from: <http://www.comece.eu/site/en/activities>.

Commission of the European Communities (1988) *The economics of 1992: An assessment of the potential economic effects completing the internal market of the European Community*, European Economy, 35.

Conn, I. (2008) *Energy Trends and Climate Change: A Road Ahead for Governments and Business*. BP Speeches [online], 25 November. Available from: <http://www.bp.com/genericarticle.do?categoryId=98&contentId=7049487>.

Cooke, S. (2012) *Will Austerity Derail Europe's Clean-Energy Movement?* Time World [online], 10 February. Available from:

<http://www.time.com/time/world/article/0,8599,2106390,00.html>.

Cotis, JP. (2004) *Cautious optimism: The economy is regaining momentum, despite oil turbulence*. OECD Observer [online], 245. Available from:

http://www.oecdobserver.org/news/archivestory.php/aid/1417/Cautious_optimism.html.

Council Directive 96/92/EC of the European Parliament and of the Council of 19 December 1996 concerning common rules for the internal market in electricity. *Official Journal of the European Communities*, L 27/20, 30.1.97, pp.22-29.

Couture, T. (2012) *FITs and Stops: Spain's New Renewable Energy Plot Twist & What It All Means*. Analytical Brief [online], 4(1). Available from:

http://www.e3analytics.eu/wp-content/uploads/2012/05/Analytical_Brief_Vol4_Issue1.pdf.

Covenant of Mayors Office (2013) *The Covenant at-a-glance*. The Covenant of Mayors [online]. Available from: http://www.covenantofmayors.eu/about/covenant-of-mayors_en.html.

Cox, R. (1987) *Production, Power, and World Order: Social Forces in the Making of History*. US: Columbia University Press.

Cox, R. (1996) Social forces, states, and world orders: beyond international relations theory IN Cox, R., Sinclair, T., eds. *Approaches to World Order*. UK: Cambridge University Press.

Cox, W. R. (1983) *Gramsci, hegemony and international relations: an essay in method*. Millennium: Journal of International Studies, 12(2), pp.162 – 175.

Cox, W. R. (2006) Problems of Power and Knowledge in a Changing World Order IN Stubbs, R., Underhill G., eds. *Political Economy and the Changing Global Order*. UK: Oxford University Press.

Cram, L. (1998) The EU institutions and collective action: Constructing a European interest? IN Aspinwall, A., Greenwood, J., eds. *Collective Action in the European Union: Interests and the New Politics of Associability*. UK: Routledge.

Crooks, E. (2007) *Jeremy Rifkin: In Pursuit of a „third industrial revolution“*. FT [online], 9 November. Available from: http://www.ft.com/cms/s/73eb13ac-9450-11dc-9aaf-0000779fd2ac,Authorised=false.html?_i_location=http%3A%2F%2Fwww.ft.com%2Fcms%2Fs%2F1%2F73eb13ac-9450-11dc-9aaf-0000779fd2ac.html&_i_referer=http%3A%2F%2Fwww.google.lt%2Furl%3Fsa%3Dt%26rct%3Dj%26q%3DFt%2Bin%2B%2Bpursuit%2Bof%2Bthird%2Bindustrial%26source%3Dweb%26cd%3D1%26ved%3D0CCsQFjAA%26url%3Dhttp%253A%252F%252Fwww.ft.com%252Fcms%252Fs%252F1%252F73eb13ac-9450-11dc-9aaf-0000779fd2ac.

Dabla-Noris, E., Ho, G., Kochhar, K., Kyobe, A., Thaidze, R. (2013) *Anchoring Growth: The Importance of Productivity-Enhancing Reforms in Emerging Market and Developing Economies*. IMF Staff Discussion Note [online], pp.1-36. Available from: <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1308.pdf>.

Dannreuther, R. (2010) *International Relations Theories: Energy, Minerals, and Conflict*. Polinares working paper [online], 8, pp.1-24. Available from: http://www.polinares.eu/docs/d1-1/polinares_wp1_ir_theories.pdf.

Davey, E. (2013) *Edward Davey speech: Ambitious and Flexible - Europe's 2030 Framework for Emissions Reduction*. Gov.uk [online]. Available from:

<https://www.gov.uk/government/speeches/edward-davey-speech-ambitious-and-flexible-europes-2030-framework-for-emissions-reduction>.

Day, C. (2006) *Entretien avec la Secrétaire Générale de la Commission européenne, Catherine Day*. Euractiv [online], 26 September. Available from: <http://www.euractiv.fr/avenir-europe/entretien-secrtaire-gnrle-commission-europenne-catherine-day/article-158175>.

De Goede, M. (2001) Discourses of Scientific Finance and the Failure of Long-Term Capital Management. *New Political Economy*, 6(2), pp.149-170.

Defra (2005) *Avoiding Dangerous Climate Change. Scientific Symposium on Stabilisation of Greenhouse Gases*. Executive Summary of the Conference Report, 1-3 February.

Desai, S., Carrel, P. (2005) *EU Ministers worried About Global Warming*. Reuters News Service, 9 September.

Digespo (2013) *What is Digespo?* Digespo [online]. Available from: <http://www.digespo.eu/default.aspx>.

Dillalo, M. (2013) *BP's Recent Sale Shows Little Confidence in Renewable Energy* [online], 4 April. Available from: <http://www.fool.com/investing/general/2013/04/04/bps-recent-sale-shows-little-confidence-in-renewab.aspx>.

Dimas, S. (2006) *The EU and the fight against climate change*. Seminar on climate change organised by the Finnish Insitute of International Affairs [online], 4 May. Available from: http://europa.eu/rapid/press-release_SPEECH-06-276_en.htm?locale=en.

Dimas, S. (2007) *Opening speech by Commissioner Dimas, 8th Session of Working group 2 of the Intergovernmental Panel on Climate Change*. Europa Press Release

[online], 2 April. Available from: http://europa.eu/rapid/press-release_SPEECH-07-216_en.htm.

Dobrev, S. (2013) First-mover advantages and disadvantages IN Kessler. eds., *Encyclopedia of Management Theory*. US: Sage Publications.

Donnelly, P., Hogan, P. (2012) Understanding Policy Change Using A Critical Junc-
tures Theory in Comparative Context: The Cases of Ireland and Sweden. *Policy Stud-
ies Journal* [online], 40(2), pp.1-40. Available from:
<http://arrow.dit.ie/cgi/viewcontent.cgi?article=1112&context=buschmarart>.

Donovan, J. (2009) *Green Digest*. The Sunday Times, 5 April.

Dreger, J. (2014) *The European Commission's Energy and Climate Policy: A Climate
for Expertise?* UK: Palgrave Mcmillan.

Duchamp, M. (2012) *Spanish turnaround on renewable energy?* Canada Free Press
[online], 21 January. Available from:
<http://www.canadafreepress.com/index.php/article/44063>.

Dufresne, A. (2006) The Evolution of Sectoral Industrial Relations Structures in Eu-
rope IN Dufresne, A., Degryse C., Pochet P., eds. *The European Sectoral Social Dia-
logue: Actors, Developments, and Challenges*. Germany: P.I.E. PETER LANG.

Dumas, L. (2006) *Development and Peace: A Virtuous Circle? Exploring the Power
and Limits of the Relationship*. Paper Presented at the Tenth Annual Conference on
Economics and Security, 22-24 June.

DW (2003) *Germany Starts Nuclear Energy Phase-Out*. Top Stories [online], 14 No-
vember. Available from: <http://www.dw.de/germany-starts-nuclear-energy-phase-out/a-1029748>.

Eberlein B. (2012) *Inching Towards a Common Energy Policy: Entrepreneurship, Incrementalism and Windows of Opportunity* IN Richardson, J., eds. *Constructing a Policy-Making State? Policy Dynamics in the EU*. UK: Oxford University Press.

Eikeland, P. O. (2008) *EU Internal Energy Market Policy: New Dynamics in the Brussels Policy Game?* A Canes Working Paper [online], pp.1-67. Available from: https://docs.google.com/viewer?a=v&q=cache:jjNwC_H04p4J:www.fni.no/doc%26pdf/FNI-R1408.pdf+per+ove+eikeland+EU+internal+energy+market&hl=lt&gl=lt&pid=bl&srcid=ADGEESheGTjWU56xWZNVUmGtUAz6aspmO6sQQUiPc_S3wWDK3_PWxfKM1GPBCZHXyKv7iU5tEZ-ASgxoSAgJ-7To8lx0-j5QDMtE5-68VeM7FQ45cKexNIE_kzuI8wE4y4VwriMAtsdJ&sig=AHIEtbRAefAo6484KhBP RKD2tS5xeVRFA.

Eikeland, P. O. (2012) *EU Energy Policy Integration – Stakeholders, Institutions and Issue-linkages*. FNI Report [online], 13/2012. Available from: <http://www.fni.no/pdf/FNI-R1312.pdf>.

Eising, R., Jabko, N. (1999) *Moving Targets: Institutional Embeddedness And Domestic Politics In The Liberalisation Of EU Electricity Markets*. Conference Paper.

Elliot, S. Vissiliadis, M. Squinzi, G. (2012) *Letter to President Barroso*. Cefig.org [online], 27 September. Available from: <http://www.cefic.org/Documents/Media%20Center/News/Letter%20Barroso%20-%20ECEG%20-%20industriAll%20-%20Cefic%20-%20September%202012.pdf>.

ENDS Europe (2013) *Spain prolongs subsidies for domestic coal*. News [online], 25 September. Available from: <http://www.endseurope.com/33205/spain-prolongs-subsidies-for-domestic-coal>.

EREC (2008) *Greenpeace EU Energy [R]evolution scenario 2050*. Publications [online]. Available from: <http://www.erec.org/media/publications/greenpeace-eu-energy-revolution-scenario-2050.html>

Euractiv (2004a) *Nuclear Package*. News [online], 9 September. Available from: <http://www.euractiv.com/energy/nuclear-package/article-117524>.

Euractiv (2004b) *How new is the new nuclear package?* News [online], 10 September. Available from: <http://www.euractiv.com/energy/new-new-nuclear-package-news-212270>.

Euractiv (2007) *Europe needs nuclear to combat climate change, says De Palacio*. Euractiv [online], 8 October. Available from: <http://www.euractiv.com/energy/europe-needs-nuclear-combat-climate-change-palacio/article-130631>.

Euractiv (2008a) *Jeremy Rifkin: « L'Europe peut faire la troisième révolution industrielle*. Euractiv [online], 31 January. Available from: <http://www.euractiv.com/fr/energie/jeremy-rifkin-europe-peut-troisime-rvolution-industrielle/article-170015>.

Euractiv (2008b) *Italy defies EU summit deal on climate change*. Euractiv [online], 9 December. Available from: <http://www.euractiv.com/climate-change/italy-defies-eu-summit-deal-clim-news-221051>.

Euractiv (2009) *EU chief: 'Energy and climate are today's coal and steel'*. Euractiv [online], 5 September. Available from: <http://www.euractiv.com/priorities/eu-chief-energy-climate-todays-c-news-222437>.

Euractiv (2012a) *Energy companies pledge for EU 2030 Climate and Energy Package*. Open Letter to the European Commission & the Presidency of the Council

[online], 23 February. Available from:

http://static.euractiv.com/sites/all/euractiv/files/Open%20Letter_FINAL-2.pdf.

Euractiv (2012b) *Energy Efficiency Directive: Completing an energy policy puzzle*.

Euractiv [online], 2 November. Available from: <http://www.euractiv.com/energy-efficiency/energy-efficiency-directive-links dossier-514483>.

Euractiv (2012c) *France 'saved' the energy efficiency directive*. Euractiv [online], 13 June 2012. Available from: <http://www.euractiv.com/energy-efficiency/france-saved-energy-efficiency-d-news-513263>.

Euractiv (2012d) *Parliament split over energy efficiency bill ahead of key vote*.

Euractiv [online], 27 February. Available from: <http://www.euractiv.com/energy-efficiency/parliament-split-energy-efficiency-bill-ahead-crucial-vote-news-511110>

Euractiv (2013) *Poland positions itself as energy efficiency champion*. Euractiv [online], 6 February. Available from: <http://www.euractiv.com/energy-efficiency/poland-positions-energy-efficiency-news-517592>.

Europa (2007) *Trans-European energy networks*. Summaries of EU legislation

[online], 5 April. Available from:

http://europa.eu/legislation_summaries/energy/internal_energy_market/127066_en.htm.

Europe Information Service (1992a) *France: industry minister defends french energy model*. *Europe Energy*, 381.

Europe Information Service (1992b) *Energy utilities critical of commission's approach to deregulation*. *European Report*, 1772.

Europe Information Service (1994) *Electricity: commissioner warns of risks of no deal on internal market*. *Europe Energy*, 430.

Europe Information Service (1998) *Energy: Austrian Presidency Gives Priority to Renewables*. European Report [online], 11 July.

European Commission (1989) *Commissioner Cardoso e Cunha in London: European Commission committed to "true European internal energy market"*. Press release database [online], 16 March. Available from: http://europa.eu/rapid/press-release_IP-89-169_en.htm.

European Commission (1995a) *An Energy Policy for the European Union*. White Paper [online], COM (95), 12 December. Available from: http://europa.eu/documentation/official-docs/white-papers/pdf/energy_white_paper_com_95_682.pdf.

European Commission (1995b) *For A European Union Energy Policy*. Green Paper, COM (94) 659, 11 January.

European Commission (1999) *Nuclear fission and radiation protection projects selected for funding 1999-2002*. Safety and efficiency of future systems - summaries for selected projects. 1-32.

European Commission (2000a) *Green Paper: Towards a European Strategy for the Security of Energy Supply* [online], COM (2000), 29 November. Available from: http://ec.europa.eu/energy/green-paper-energy-supply/doc/green_paper_energy_supply_en.pdf.

European Commission (2000b) *Community initiative INTERREG II 1994-1999: An initial evaluation*. Information Paper [online], Available from: http://ec.europa.eu/regional_policy/sources/docgener/informat/interreg_en.pdf.

European Commission (2000c) *Green Paper – Towards a European Strategy for the Security of Energy Supply*. Technical document, pp.2-68.

European Commission (2001a) *A Sustainable Europe for a Better World: A European Union Strategy for Sustainable Development*. Commission's proposal to the Gothenburg European Council [online], pp.2-17. Available from: [http://aei.pitt.edu/42719/1/COM_\(2001\)_264_final.pdf](http://aei.pitt.edu/42719/1/COM_(2001)_264_final.pdf).

European Commission (2001b) *Michelangelo Network: Competitiveness and sustainability of nuclear energy in the European Union (MICANET)*. Final Report, pp.1-11.

European Commission (2003) *FP6 and ERA ensure better cooperation between Member States for nuclear waste management, says Busquin*. Cordis News [online], 5 February. Available from: http://cordis.europa.eu/news/rcn/19663_en.html.

European Commission (2005) *Energy, environment, competitiveness: Commission launches high level group*. Europa Press Release [online], 24 February. Available from: http://europa.eu/rapid/press-release_IP-06-226_en.htm.

European Commission (2006a) *Green Paper: A European Strategy for Sustainable, Competitive and Secure Energy* [online], COM (2006), 8 March. Available from: http://europa.eu/documents/comm/green_papers/pdf/com2006_105_en.pdf.

European Commission (2006b) *Renewable Energy Road Map: Renewable energies in the 21st century: building a more sustainable future*. Communication from the Commission to the European Council and the European Parliament [online], 2-20. Available from: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52006DC0848&from=EN>.

European Commission (2007a) *An Energy Policy for Europe*. Communication from the Commission to the European Council and the European Parliament [online], 2-27. Available from: http://ec.europa.eu/energy/energy_policy/doc/01_energy_policy_for_europe_en.pdf.

European Commission (2007b) *Biofuels Progress Report*. Communication from the Commission to the European Council and the European Parliament [online], 2-16.

Available from:

http://ec.europa.eu/energy/energy_policy/doc/07_biofuels_progress_report_en.pdf.

European Commission (2008a) *20 20 by 2020 Europe's climate change opportunity* [online], COM (2008), 23 January. Available from: [http://eur-](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0030:FIN:en:PDF)

[lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0030:FIN:en:PDF](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0030:FIN:en:PDF).

European Commission (2008b) *Memo on the Renewable Energy and Climate Change Package*. Europa Press Release [online], 23 January. Available from:

http://europa.eu/rapid/press-release_MEMO-08-33_en.htm.

European Commission (2008c) *Presidents of Commission, Council and Parliament discuss climate change and reconciliation with European faith leaders*. Europa Press Release [online], 5 May. Available from: http://europa.eu/rapid/press-release_IP-08-676_en.htm.

European Commission (2008d) *Europeans' attitudes towards climate change*. Eurobarometer [online], September. Available from:

http://ec.europa.eu/public_opinion/archives/ebs/ebs_300_full_en.pdf.

European Commission (2010a) *Energy 2020: A strategy for competitive, sustainable And Secure Energy*. Communication from the Commission [online], 1-37. Available from: http://ec.europa.eu/energy/publications/doc/2011_energy2020_en.pdf.

European Commission (2010b) *EU wind power gathers speed*. Cordis News [online].

Available from: http://cordis.europa.eu/news/rcn/32201_en.html.

European Commission (2011a) *A Roadmap for moving to a competitive low carbon economy in 2050*, COM (2011), 8 March. Available from: [http://eur-](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0112:FIN:EN:PDF)

[lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0112:FIN:EN:PDF](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0112:FIN:EN:PDF).

European Commission (2011b) *Energy Roadmap 2050*. Communication from the Commission to the European Council, the European Parliament, the European Economic and Social Committee the Committee of the Regions [online], 2-20. Available from: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52011DC0885&from=EN>.

European Commission (2011c) *Energy Efficiency Plan 2011*. Communication from the Commission to the European Council, the European Parliament, the European Economic and Social Committee the Committee of the Regions [online], 2-15. Available from: http://eur-lex.europa.eu/resource.html?uri=cellar:441bc7d6-d4c6-49f9-a108-f8707552c4c0.0002.03/DOC_1&format=PDF.

European Commission (2011d) *FP7 calls for proposals 2011 published*. News/Events [online]. Available from: http://ec.europa.eu/research/energy/eu/news/news_en.cfm?news=20-07-2010.

European Commission (2012) *Energy Research in the 7th Framework Programme*. Cordis [online]. Available from: <http://cordis.europa.eu/fp7/energy/>.

European Commission (2013a) *IEE programme*. Intelligent Energy Europe [online]. Available from: http://ec.europa.eu/energy/intelligent/about/iee-programme/index_en.htm.

European Commission (2013b) *Funding Areas*. Intelligent Energy Europe [online]. Available from: http://ec.europa.eu/energy/intelligent/about/funding-areas/index_en.htm.

European Communities (1988) *The Internal Energy Market. Commission Working Document*, COM(88)238, 2 May.

European Communities (1990) *Towards Trans-European Networks*. Progress Report [online], 19 July. Available from: <http://aei.pitt.edu/3873/1/3873.pdf>.

European Communities (1993) *Growth, competitiveness, employment: The challenges and ways forward into the 21st century*. White Paper [online], COM (93) 700, 5 December. Available from: http://europa.eu/documentation/official-docs/white-papers/pdf/growth_wp_com_93_700_parts_a_b.pdf.

European Council (1986) *Council Resolution of 16 September concerning new Community energy policy objectives for 1995 and convergence of the policies of the Member States*. Official Journal, 0001-0003.

European Council (2000) *Lisbon European Council 23 and 24 March 2000 Presidency Conclusions*. European Parliament [online]. Available from: http://www.europarl.europa.eu/summits/lis1_en.htm#top.

European Information Service (2002) *Energy: Security of Supply Green Paper Follow-Up Report Delayed*. European Report, 22 June.

European Nuclear Education Network (2014) *What is ENEN*. ENEN website [online]. Available from: <http://www.enen-assoc.org/en/about/what-is-enen.html>.

European Nuclear Society (2003a) *Climate Change & Nuclear Power*. A Statement by the European Nuclear Society [online], April. Available from: <http://www.euronuclear.org/pdf/HSC-Statements.pdf>.

European Nuclear Society (2003b) *Nuclear energy must play greater future role, says science think-tank*. Press Release [online], 22 April. Available from: http://www.euronuclear.org/pdf/ENS_climate_press_release.pdf.

European Nuclear Society (2013) *About ENS*. European Nuclear Society Website [online]. Available from: <http://www.euronuclear.org/1-about/organisation.htm>.

European Wind Energy Association (2001) *Response to the European Commission's Green Paper: Towards a European strategy for the security of energy supply*, November.

EUSEW (2006) *About EUSEW*. EUSEW [online]. Available from:

<http://www.eusew.eu/about/about-eusew>.

Evans-Pritchard, A. (2012) *Europe left behind as shale shock drives America's industrial resurgence*. The Telegraph [online], 28 October. Available from:

http://www.telegraph.co.uk/finance/comment/ambroseevans_pritchard/9639192/Europe-left-behind-as-shale-shock-drives-Americas-industrial-resurgence.html.

Falck, O., Heblich, S. (2007) *Do We Need National Champions? If So, Do We Need a Champions-Related Industrial Policy? An Evolutionary Perspective*. The Jena Economic Research Papers [online], April, 12, pp.1-22. Available from:

http://zs.thulb.uni-jena.de/servlets/MCRFileNodeServlet/jportal_derivate_00085859/wp_2007_088.pdf.

Falkner, G. (2008) *EU Policies in the Lisbon Treaty*. Institute for European Integration Research [online], pp.2-90. Available from:

<https://eif.univie.ac.at/downloads/workingpapers/wp2008-03.pdf>.

Featherstone, K. (1994) Jean Monnet and the “Democratic Deficit” in the European Union. *Journal of Common Market Studies*, 32(2), pp.149-170.

Feldman, L. (1999) Reconciliation and legitimacy: foreign relations and enlargement of the European Union IN Banchoff, T., Smith, M., eds. *Legitimacy and the European Union: The Contested Polity*. US: Routledge.

Financial Times (1991a) Dutch to push Energy Charter but oppose IEM developments. *EC Energy Monthly*, 21 June.

Financial Times (1991b) Italy's security of supply concerns and free market fears. *EC Energy Monthly*, 16 December.

Financial Times (1991c) Eurogas takes anti-TPA stance but fails to persuade some members. *EC Energy Monthly*, July 1.

Financial Times (1992a) Portuguese presidency to champion concerns of peripheral States. *EC Energy Monthly*, 17 January.

Financial Times (1992b) *EC fails to agree on liberalisation or mandate for IEA talks*. European Energy Report, 12 June.

Financial Times (1992c) *Germany opposes IEM regulation but pushes for environment rules*. *EC Energy Monthly*, 1 July.

Financial Times (1992d) *French think tank slams TPA*. International Gas Report, 24 July.

Financial Times (1992e) Signs that Germany may accept some form of third party access. *EC Energy Monthly*, 10 April.

Financial Times (1993) Irish Energy Sector opens up. *EC Energy Monthly*, 6 July.

Financial Times (1994a) Energy sector responds to DGXVII energy policy paper. *EC Energy Monthly*, 23 November.

Financial Times (1994b) Public sector distributors join energy liberalisation debate. *EC Energy Monthly*, 26 September.

Financial Times (1994c) Publications Review: Dutch utilities change sides in electricity TPA debate. *EC Energy Monthly*, 21 October.

Financial Times (1994d) TPA vs single buyer set to dominate Energy Council debate. *EC Energy Monthly*, 23 November.

Financial Times (1995a) TPA: can two tango? *Power Europe*, 30 June.

Financial Times (1995b) France vs EU. *Power Europe*, 2 June.

Financial Times (2001) *Generating Action and Reaction*. Financial Times Historical Archive [online], 34(421), 11 January. Available from:

<https://serlib0.essex.ac.uk/iii/cas/login?service=https%3A%2F%2Fserlib0.essex.ac.uk>

http://patroninfo~S5%2F0%2Fredirect%3D%2Fwamvalidate%3Furl%3Dhttp%253A%252F%252F0-find.galegroup.com.serlib0.essex.ac.uk%253A80%252Fftha%252FnewspaperRetrieve.do%253FsgHitCountType%253DNone%2526sort%253DDateAscend%2526tabID%253DT003%2526prodId%253DFTHA%2526resultListType%253DRESULT_LIST%2526searchId%253DR2%2526searchType%253DAdvancedSearchForm%2526currentPosition%253D4%2526qrySerId%253DLocale%252528en%25252C%25252C%252529%25253AFQE%25253D%252528tx%25252CNone%25252C15%252529%252Bnucl ear%252Bpow-er%252B%25253AAnd%25253AFQE%25253D%252528tx%25252CNone%25252C6%252529action%25253AAndIITICKET&scope=5

Finon, D. (1996) French Energy Policy: the Effectiveness and Limitations of Colbertism IN McGowan, F., eds. *European Energy Policies in a Changing Environment*. DE: Physica-Verlag Heidelberg.

Fiske, J. (1987) *Television Culture*. US: Methuen & Co.

Foratom (2001) *European Commission Green Paper on Security of Energy Supply*.

FORATOM Position Statement [online], pp.2-22. Available from:

www.ecolo.org/documents/...in.../FORATOM%20Position%20GP.doc.

Forsstrom, H. (2000) *Research on Nuclear Energy within the European Commission Research Framework Programme*. International Conference Nuclear Energy in Central Europe, pp.2-8.

Fuchs, D. (2007) *Business Power in Global Governance*. US: Lynne Rienner Publishers.

- Genoud, C., Finger, M. (2004) Electricity Regulation in Europe IN Finon, D., Mittun, A., eds. *Reshaping European Gas and Electricity Industries: Regulation, Markets and Business Strategies*. UK: Elsevier.
- George, A., Bennett, A. (2004) *Case Studies and Theory Development in the EU*. US: MIT Press.
- Gilbert, M (2012) *European Integration: A concise history*. US: Rowman & Littlefield Publishers.
- Gill, S., Law, D. (1993) Global hegemony and the structural power of capital IN Gill, S., eds. *Gramsci, Historical Materialism and International Relations*. UK: Cambridge University Press.
- Gillingham, J. (1995) The European Coal and Steel Community: an object lesson? IN Eichengreen, B., eds. *Europe's post-war recovery*. UK: Cambridge University Press.
- Gillingham, J. (2003) *European Integration, 1950-2003: Superstate or New Market Economy?* UK: Cambridge University Press.
- Glass Alliance Europe (2013) *Glass industries must have long-lasting protection against risk of carbon leakage*. Political Paper On Carbon Leakage [online], 14 November. Available from: http://www.glassallianceeurope.eu/images/cont/gae-political-paper-on-carbon-leakage_file.pdf.
- Glynos, J., Howarth, D. (2007) *Logics of Critical Explanation in Social and Political Theory*. UK: Routledge.
- Gonzalez, A., Flynn, A. (2012) *Shell Gains Boost in Shale Output With Latest Deal*. The Wall Street Journal [online], 13 September. Available from: <http://online.wsj.com/news/articles/SB10000872396390444023704577649791561735000>.

Goosens, E. (2014) *Clean Energy Support Falls Again to \$254 Billion in 2013*.

Bloomberg [online], 15 January. Available from:

<http://www.bloomberg.com/news/2014-01-15/clean-energy-support-falls-again-to-254-billion-in-2013.html>.

Gow, D. (2004) *EC backs off nuclear shutdown*. The Guardian [online], 2 September.

Available from:

<http://www.theguardian.com/business/2004/sep/09/nuclearindustry.waste>.

Gramsci, A. (1971) *Selections from the Prisons Notebooks* (Hoare, Q. and Nowell-Smith, G., Eds. and Trans.). US: International Publishers.

Greener, I. (2005) *Theorizing path dependence: how does history to come matter in organisations, and what can we do about it?* Working Paper 3 [online], pp.1-30.

Available from:

<http://www.york.ac.uk/media/tyms/documents/research/workingpaper/workingpaper3.pdf>.

Greenpeace (2001) *Security Of Energy Supplies In The EU*. International Response to EU Green Paper Consultation [online]. Available from: [http://www.bo.cnr.it/www-sciresp/OLD/GdL/Energia-](http://www.bo.cnr.it/www-sciresp/OLD/GdL/Energia-Crisi_Globali/Materiali/l_verde_energia_eu_commenti/contributions/12/2001-12-07-greenpeace.pdf)

[Crisi_Globali/Materiali/l_verde_energia_eu_commenti/contributions/12/2001-12-07-greenpeace.pdf](http://www.bo.cnr.it/www-sciresp/OLD/GdL/Energia-Crisi_Globali/Materiali/l_verde_energia_eu_commenti/contributions/12/2001-12-07-greenpeace.pdf).

Greenpeace (2002) *Greenpeace calls on EU Ministers not to be cheated by 'safety' farce*. Press Release [online], 9 December. Available from:

<http://www.greenpeace.org/international/en/press/releases/greenpeace-calls-on-eu-ministe/letter-to-eu-environment-minis/>.

Greenpeace (2003a) *Hello, anybody home? Greenpeace volunteers get into 'top security' nuclear control centre*. Press Release [online], 13 January. Available from:

<http://www.greenpeace.org/international/en/news/features/the-lights-are-on-but-there-s/>.

Greenpeace (2003b) *EURATOM: a can of worms at the heart of the Constitution?*

Press Release [online], 9 July. Available from:

<http://www.greenpeace.org/international/en/press/releases/euratom-a-can-of-worms-at-the/>.

Greenpeace (2009) *Over 300 Greenpeace activists arrested after finance ministers blockade*. Press Release [online], 10 March. Available from:

<http://www.greenpeace.org/eu-unit/en/News/2009-and-earlier/over-300-greenpeace-activists2/>.

Greenpeace (2010) *Europe's energy crossroads*. Greenpeace EU unit [online]. Available from: <http://www.greenpeace.org/eu-unit/en/campaigns/Climate/Energy1/>.

Greenpeace International, EREC (2009) *Working for the Climate: Renewable Energy & The Green Jobs Revolution*. Report on Global Job Scenario [online], August.

Available from: <http://www.greenpeace.org/international/Global/international/planet-2/report/2009/9/working-for-the-climate.pdf>.

Grieco, J. M. (1996) State interests and institutional rule trajectory: a neorealist interpretation of the Maastricht Treaty and European Economic and Monetary. *Security Studies*, 5(3), pp.261-305.

Griggs, S. Howarth, D. (2013) *The Politics of Airport Expansion in the United Kingdom: Hegemony, Policy and the Rhetoric of 'sustainable Aviation*. UK: Manchester University Press.

Groot, K. (2013) *European Power Utilities Under Pressure? How The Electricity Majors Are Dealing With The Changing Investment Climate In The EU Power Sector*. CIEP Publications [online], 3. Available from:

http://www.clingendaelenergy.com/inc/upload/files/CIEP_paper_2013-03_power_sector.pdf.

Haghighi, S. (2007) *Energy Security: The External Legal Relations of the European Union with Major Oil and Gas Supplying Countries*. US: Hart Publishing.

Haller, M. (2008) *European Integration as an Elite Process: The Failure of a Dream?* UK: Routledge.

Harlow, C. (2002) *Accountability in the European Union*. UK: Oxford University Press.

Harrabin, R. (2012) *Chancellor letter reveals pressure on climate targets*. BBC News [online], 23 July. Available from: <http://www.bbc.co.uk/news/science-environment-18953042>.

Hartlapp, M., Metz, J., Rauh, C. (2014) *Which Policy for Europe: Power and Conflict Inside the European Commission*. UK: Oxford University Press.

Harvey, F. (2011a) *Connie Hedegaard insists tougher carbon targets will boost European economy*. The Guardian [online], 14 February. Available from: <http://www.theguardian.com/environment/2011/feb/14/chris-huhne-eu-emissions-targets>.

Harvey, F. (2011b) *Chris Huhne: UK must invest in energy infrastructure to keep the lights on*. The Guardian [online], 12 July. Available from: <http://www.theguardian.com/environment/2011/jul/12/chris-huhne-energy-market-invest>.

Harvey, F. (2012) *Use Rio+20 to overhaul idea of growth, urges EU climate chief*. The Guardian [online], 6 February. Available from: <http://www.theguardian.com/environment/2012/feb/06/rio-20-gdp-connie-hedegaard>.

Harvey, F. (2013) *EU energy chief calls for no new taxes as talks begin on 2030 climate targets*. The Guardian [online], 27 March. Available from:

<http://www.theguardian.com/environment/2013/mar/27/ec-climate-change-policy-targets>.

Hauvel, S., de Jong, J., Linde, C. (2010) *Energy company strategies in the dynamic EU energy market (1995-2007)*. Clinfendael Energy Paper, May, pp.1-69.

Hay, C. (1994) Environmental Security and State Legitimacy IN O'Connor, M., eds. *Is Capitalism Sustainable?* US: The Guilford Press.

Hay, C., Wincott, D. (1998) Structure, Agency and Historic Institutionalism. *Political Studies* [online], XLVI, pp.951-957. Available from:

<http://onlinelibrary.wiley.com/doi/10.1111/1467-9248.00177/epdf>.

Heddenhausen, M. (2007) *Privatisations in Europe's liberalized electricity markets – the cases of the United Kingdom, Sweden, Germany and France*. German Institute for International and Security Affairs [online], pp.2-22. Available from: [http://www.swp-](http://www.swp-ber-)

[lin.org/fileadmin/contents/products/projekt_papiere/Electricity_paper_KS_IIformatiert.pdf](http://www.swp-berlin.org/fileadmin/contents/products/projekt_papiere/Electricity_paper_KS_IIformatiert.pdf).

Hedegaard, C. (2010) *Europe's view on International Climate Policy. Climate lecture at Harvard Kennedy School, US*. Europa Press Release [online], 20 September.

Available from: http://ec.europa.eu/commission_2010-2014/hedegaard/headlines/news/2013-02-26_01_en.htm.

Hedegaard, C. (2011a) *Connie Hedegaard's speech during the Zero Emission Conference in Oslo*. Europa Press Release [online], 21 November. Available from:

http://ec.europa.eu/commission_2010-2014/hedegaard/headlines/news/2011-11-21_01_de.htm.

Hedegaard, C. (2011b) *It's time to call the "energy-plumber"*. *Speech at the Active House Symposium*. Europa Press Release [online], 14 April. Available from: http://europa.eu/rapid/press-release_SPEECH-11-278_en.htm.

Hedegaard, C. (2013) *Tackling Climate Change at the time of crisis*. *Speech by Commissioner Hedegaard, Europe Conference, Harvard University*. Europa Press Release [online]. Available from: http://ec.europa.eu/commission_2010-2014/hedegaard/headlines/news/2013-03-03_01_en.htm.

Heldt, E. (2004) *The Common Fisheries Policy in the European Union*. UK: Routledge.

Helm, D. (2002) Energy Policy: security of supply, sustainability and competition. *Energy Policy* [online], 30, pp.173-184. Available from: [http://folk.uib.no/secea/databank/security-of-supply/Energy%20policy-%20security%20of%20supply,%20sustainability%20and%20competition.%20By%20Helm,%20Dieter.%20Energy%20Policy,%20Feb2002,%20Vol.%2030%20Issue%203,%20p173,%2012p,%202%20graphs;%20\(AN%206555694\).pdf](http://folk.uib.no/secea/databank/security-of-supply/Energy%20policy-%20security%20of%20supply,%20sustainability%20and%20competition.%20By%20Helm,%20Dieter.%20Energy%20Policy,%20Feb2002,%20Vol.%2030%20Issue%203,%20p173,%2012p,%202%20graphs;%20(AN%206555694).pdf)

Helm, D. (2003) *Energy, the State, and the Market: British Energy Policy since 1979*. UK: Oxford University Press.

Helm, D. (2007) *European energy policy: Meeting the security of supply and climate challenges*. EIB Papers, 12(1), pp.30-48.

Helm, D. (2008) Climate-change policy: why has so little been achieved? *Oxford Review of Economic Policy* [online], 24(2), pp.211-238. Available from: http://www.dieterhelm.co.uk/sites/default/files/Why_so_little_08.pdf.

Helm, D. (2011a) *The peak oil brigade is leading us into bad policymaking on energy*. *The Guardian* [online], 18 October. Available from:

<http://www.theguardian.com/commentisfree/2011/oct/18/energy-price-volatility-policy-fossil-fuels>.

Helm, D. (2012) *The Carbon Crunch*. US: Yale University Press.

Heuvel, van den S., Jong, de J., Linde van der C. (2010) *Energy Company strategies in the dynamic EU Energy Market (1995 - 2007)*, Clingendael Energy Paper [online],

May. Available from:

http://www.clingendael.nl/sites/default/files/20100608_CIEP_Energy_Paper_Energy_Company_Strategies.pdf.

Hirschhausen, C., Waelde, T. (2000) *Energy Sector Reform in Eastern Europe*.

Working Paper, WP-EE-01, pp.1-24.

Holehouse, M. (2013) *David Cameron: industry is returning to Britain*. The Telegraph [online], 6 January. Available from:

<http://www.telegraph.co.uk/news/politics/david-cameron/8997011/David-Cameron-industry-is-returning-to-Britain.html>.

Hooghe, L. (2001) *The European Commission and the Integration of Europe: Images of Governance*. UK: Cambridge University Press.

House of Lords (2005) Great Britain Parliament Select Committee on European Union. *Managing Nuclear Safety and Waste: the role of the EU 1st Report of the Select Committee on the European Union*. London: Stationary Office. (HL paper; 211; Session 2005-06).

IHS (2013) *The Challenge to Germany's Global Competitiveness In A New Energy World*. An IHS Report [online], 1, pp.2-20. Available from:

<https://www.vci.de/Downloads/Media-Weitere-Downloads/IHS-Report-engl.pdf>.

IMF Research Department (2000) *The Impact of Higher Oil Prices on the Global Economy*. IMF Publications [online], 8 December. Available from: <http://www.imf.org/external/pubs/ft/oil/2000/>.

Industrial European Trade Union (2014) *EU long-term energy and climate strategy finally takes the future of European industry into account*. Press Release [online], 23 January. Available from: <http://www.industrial-europe.eu/database/upload/pdf/iAE-Press2-2014EnergyClimateFramework.pdf>.

Information Daily Staff Writer (2006) *Q&A Andris Piebalgs, European Energy Commissioner*. theinformationdaily.com [online], 10 July. Available from: <http://www.theinformationdaily.com/2006/07/10/qa-andris-piebalgs-european-energy-commissioner>.

INFORSE-Europe (2004) *Comments to the Green Paper on Security of Energy Supply*. INFORSE [online], May. Available from: http://www.inforse.org/europe/eu_supply.htm.

Institute for the Analysis of Global Security (2004) *North Sea oil is declining*. Energy Security [online], 24 May. Available from: <http://www.iags.org/n0524043.htm>.

International Energy Agency (2006) *World Energy Outlook 2006*. IEA Publications [online]. Available from: <http://www.worldenergyoutlook.org/media/weowebiste/2008-1994/WEO2006.pdf>.

International Energy Agency (2010) *Key World Energy Statistics*. IEA [online], 1-232. Available from: http://www.iea.org/textbase/nppdf/free/2010/key_stats_2010.pdf.

Jabko, N. (2006) *Playing the market: a political strategy for uniting Europe, 1985-2005*. US: Cornell University Press.

Jagers, S., Paterson, M., Stripple J. (2004) *Privatizing Governance, Practicing Triage: Securitization of Insurance Risks and the Politics of Global Warming* IN Levy, L. D., Newell, P. J., eds. *The Business of Global Environmental Governance*. US: MIT Press.

Jessop, B. (2004) *Multi-level Governance and Multi-level Metagovernance* IN Bache, I., Flinders, M., eds. *Multi-level Governance*. US: Oxford University Press.

Jong, J. (2006) *Liberalising Dutch Energy Markets: Champions and governance, rules and regulations: The 1995-2005 stories*. CIEP Publications [online]. Available from: http://clingendael.info/publications/2006/20060900_paper_ciep_dejong.pdf.

Kant, E. (2003) *To Perpetual Peace: a philosophical sketch*. US: Hackett Publishing Company.

Karnitschnic, M. (2013) *The letter of President Barroso to Ms Monica Frassoni, the President of European Alliance to Save Energy*. Office of the President [online], 6 February. Available from: <http://www.euase.com/wp-content/uploads/REPLY-Barroso.pdf>.

Keating, D. (2012a) *Poland blocks EU's low-carbon roadmap*. European Voice [online], 15 June. Available from: <http://www.europeanvoice.com/article/2012/march/poland-blocks-eu-s-low-carbon-roadmap/73833.aspx>.

Keating, D. (2012b) *Last-minute deal on energy efficiency*. European Voice [online], 14 June. Available from: <http://www.europeanvoice.com/article/2012/june/last-minute-deal-on-energy-efficiency/74613.aspx>.

Keohane, R. (1984) *After Hegemony: Cooperation and Discord in the World Political Economy*. UK: Princeton University Press.

Keppler, J. (2009) Climate Change, Security of Supply and Competitiveness: Does Europe Have the Means to Implement its Ambitious Energy Vision? IN. Chevalier, M. J., eds. *The New Energy Crisis: Climate, Economics and Geopolitics*. UK: Palgrave Macmillan.

Kirchner, E., Berk, C. (2010) European Energy Security Cooperation: between Amity and Enmity, *Journal of Common Market Studies*, 48(4), 859-881.

Koren, M., Bukkvoll, T. (2007) *The 2006 Russian-Ukrainian gas crisis – causes and potential for repetition*. Norwegian Defence Research Establishment (FFI) [online], 29 January, 2-23. Available from: <http://www.ffi.no/no/Rapporter/07-00159.pdf>.

Krotz, U., Schild, J. (2013) *Shaping Europe: France, Germany and Embedded Bilateralism from the Elysée Treaty to Twenty-first Century Politics*. UK: Oxford University Press.

Kuzemko, C. (2015), Energy Depoliticisation in the UK: Destroying Political Capacity. *The British Journal of Politics & International Relations* [online].

doi: 10.1111/1467-856X.12068. Available from:

<http://onlinelibrary.wiley.com/doi/10.1111/1467-856X.12068/epdf>

Lamy, P. (2013) *Putting geopolitics back at the trade table*. Speech [online], 29 January. Available from: http://www.wto.org/english/news_e/sppl_e/sppl264_e.htm.

Lee, J. (1993) *International Trade, Distortions and Long-Run Economic Growth*.

IMF Working Paper [online], 40(2), pp.299-328. Available from:

http://www.jstor.org/stable/3867316?loginSuccess=true&seq=1#page_scan_tab_contents.

Les Echos (1995) *Le chef du gouvernement contre tout « démantèlement du service public »*. LesEchos.fr [online], 16910. Available from:

http://www.lesechos.fr/01/06/1995/LesEchos/16910-008-ECH_le-chef-du-gouvernement-contre-tout---demantelement-du-service-public---.htm.

Levy, L. D., Egan, D. (2003) A Neo-Gramscian Approach to Corporate Political Strategy: Conflict and Accommodation in the Climate Change Negotiations. *Journal of Management Studies*, 40(4), 803-829.

Levy, L. D., Newell, P. J. (2004) A Neo-Gramscian Approach to Business in International Environmental Politics: An Interdisciplinary, Multilevel Framework IN Levy, L. D., Newell, P. J., eds. *The Business of Global Environmental Governance*. US: MIT Press.

Lewis, B. (2012) *Sustainable energy is answer to wider crisis: EU's Hedegaard*. Reuters [online], 31 January. Available from:

<http://mobile.reuters.com/article/idUSTRE80U1KX20120131?irpc=932>.

LSE Public Policy Group (2013) *The Legacy of Margaret Thatcher*. London: LSE Public Policy Group [online]. Available at:

<http://blogs.lse.ac.uk/politicsandpolicy/files/2013/05/Thatcher-final.pdf>.

Macalister, T. (2008) *Dishonest, irresponsible: Shell lambasted for pulling out of world's biggest wind farm*. The Guardian [online], 2 May. Available from:

<http://www.theguardian.com/environment/2008/may/02/renewableenergy.royaldutchshell>

MacKerron, G. (2004) Nuclear power and the characteristics of 'ordinariness' - the case of UK energy policy. *Energy Policy*, 32, pp.1957-1965.

Mahony, H. (2002) *Palacio continues to wave nuclear flag*. EU Observer [online], 26 June. Available from: <http://euobserver.com/news/6798>.

- Mallet, V. (2012) *Spain stops new energy subsidies in austerity drive*. Financial Times [online], 27 January. Available from: <http://www.ft.com/cms/s/0/4781b75c-490b-11e1-88f0-00144feabdc0.html#axzz2wDDjGAi5>.
- Marquis, C., Tilscik, A. (2013) Imprinting: Toward a Multilevel Theory. *The Academy of Management Annals*, 7(1), pp.193-243.
- Matlary, H. J. (1997) *Energy Policy in the European Union*. US: Palgrave Macmillan.
- McGowan, F. (1996a) Ideology and Expediency in British Energy Policy IN McGowan, F., eds. *European Energy Policies in a Changing Environment*. DE: Physica-Verlag Heidelberg.
- McGowan, F. (1996b) Energy Policy in the EU: Diversity or Convergence? IN McGowan, F., eds. *European Energy Policies in a Changing Environment*. DE: Physica-Verlag Heidelberg.
- McGowan, F. (2009) International Regimes for Energy: Finding the Right Level for Policy IN. IN Scrase, I., MacKerron G., eds. *Energy for the Future: A New Agenda*. UK: Palgrave Macmillan.
- Mclean, I. (2001) *Rational Choice and British Politics: An Analysis of Rhetoric and Manipulation from Peel to Blair*. UK: Oxford University Press.
- McNulty, S., Hoyos, C. (2005) *Hurricane drives crude oil prices to record high*. FT [online], 30 August. Available from: <http://www.ft.com/cms/s/0/9c11d928-18b1-11da-8fe9-00000e2511c8.html#axzz2ToykVWG5>.
- Meckling, J. (2005) *Transatlantic Interdependence in US Climate Change Policy: Cross-Border State-Business Relations Challenging State Autonomy*. Global Governance Working Paper [online], 16, 2-33. Available from: <http://glogov.org/images/doc/WP16.pdf>.

- Meckling, J. (2011) *Carbon Coalitions: Business, Climate Politics, and the Rise of Emissions Trading*. US: The MIT Press.
- Merkel, A. (2007) *Speech by Federal Chancellor Angela Merkel to the European Parliament*. Germany 2007 – Presidency of the European Council [online], 13 February. Available from:
http://www.eu2007.de/en/News/Speeches_Interviews/February/0213BKinEP.html.
- Meuiner, S., Kathleen, M. (2007) Making History: European Integration and Institutional Change at Fifty IN Meuiner, S., Kathleen, M., eds. *Making History: European Integration and Institutional Change at Fifty: The State of the European Union*. UK: Oxford University Press.
- Midttun, A. (1997) Electricity Policy Within the European Union: One Step Forward, Two Steps Back IN Midttun, A., eds. *European Electricity Systems in Transition: A comparative analysis of policy and regulation in Western Europe*. UK: Elsevier.
- Molle, M. (2006) *The economics of European integration: theory, practice, policy 5th ed.* UK: Ashgate Publishing Limited.
- Monnet, J. (1978) *Memoirs*. UK: William Collins Sons & Co.
- Moravcsik, A. (1993) Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach. *Journal of Common Market Studies*, 31(4), pp.473-524.
- Moravcsik, A. (1998) *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht*. Ithaca: Cornell University Press.
- Moravcsik, A. (1999) A New Statecraft? Supranational Entrepreneurs and International Cooperation. *International Organization*, 53(2), pp. 267-306.

Morgan, P. (2000) *German fuel row turns political*. BBC [online], 13 September.

Available from: <http://news.bbc.co.uk/1/hi/world/europe/923987.stm>.

Nelson, C., et al. (2009) *Climate Change: Impact on Agriculture and Costs of Adaptation*. IFPRI Food Policy Report [online]. Available from:

<http://www.ifpri.org/sites/default/files/publications/pr21.pdf>.

Newell, P. (2008) The Political Economy of Global Environmental Governance. *Review of International Studies*, 34(3), pp.507-529.

Newell, P., Levy, D. (2004) Business and International Environmental Governance: Conclusions and Implications IN Levy, L. D., Newell, P. J., eds. *The Business of Global Environmental Governance*. US: MIT Press.

Newell, P., Paterson, M. (1998) A Climate for Business: Global Warming, the State and Capital. *Review of International Political Economy*, 5(4), pp.679-703.

Newell, P., Paterson, M. (2010) *Climate capitalism: Global Warming and the Transformation of the Global Economy*. US: Cambridge University Press.

Niemann, A., Schmitter, P. (2009) Neofunctionalism IN Wiener, A., Diez, T., eds. *European Integration Theory 2nd ed*. UK: Oxford University Press.

Nordhaus, W. (2008) *A Question of Balance: Weighing the Options on Global Warming Policies*. US: Yale University Press.

Nugent, N. (2000) At the Heart of the Union IN Nugent, N., eds. *At the Heart of the Union 2nd ed*, UK: Macmillan Press.

O'Connor, J. (1979) *The Fiscal Crisis of the State*. US: Transaction Publishers.

Oettinger G. (2013) *A European energy strategy is required to secure the EU's future energy needs*. LSE [online]. Available from:

<http://blogs.lse.ac.uk/europpblog/2013/10/17/a-european-energy-strategy-is-required-to-secure-the-eus-future-energy-needs/>.

Oettinger, G. (2014) *Oettinger rallies opposition to 2030 CO₂ target*. Euractiv [online], 29 January. Available from: <http://www.euractiv.com/energy/oettinger-rallies-opposition-203-news-533084#.UupqWB5Fhbc.twitter>.

Ortis, A. (2011) The Challenge of the European Union's Energy Policy and Regulation IN Bindi, F., Angelescu, I., eds. *The Frontiers of Europe: A Transatlantic Problem?* US: The Brookings Institution.

Osborne, G. (2013) *Shale gas: government unveils plan to kick start investment with generous new tax breaks*. Gov.uk [online]. Available from: <https://www.gov.uk/government/news/shale-gas-government-unveils-plan-to-kick-start-investment-with-generous-new-tax-breaks>.

Palacio, L. (2000) *Speech by Vice-President of the European Commission Palacio: Safety of energy supply and sustainable development*. Conference on World Oil Market Data Madrid. Europa Press Release [online], 15 July. Available from: http://europa.eu/rapid/press-release_SPEECH-00-271_en.htm.

Palacio, L. (2001) *Speech by Vice-President of the European Commission responsible for Energy and Transport "Vers une stratégie européenne d'approvisionnement énergétique sûr et durable"*. Institut Français des Relations Internationales (IFRI), 5 July.

Palacio, L. (2003a) *Energie*. La Croix [online], 18 November. Available from: http://www.la-croix.com/Archives/2003-11-05/L-energie-sera-electrique-et-chere-NP_-2003-11-05-194168.

Palacio, L. (2003b) *Speech by Ms. Loyola de Palacio, Vice-President of the European Commission*. Transport, energy and sustainable development Efca – Fepac conference

[online]. Available from:

<http://www.efcanet.org/Portals/EFCA/EFCA%20files/PDF/31-05-03Loyola.pdf>.

Palacio, L. (2004) *An Energy Outlook for Europe - From Today Into the Next 30 Years*. Workshop de Foratom [online]. Available from: <http://www.nei.org/News-Media/Speeches/>.

Paoli, L (1996) *Italia Energy Policy: From Planning To an (Imperfect) market* IN McGowan, F., eds. *European Energy Policies in a Changing Environment*. DE: Physica-Verlag Heidelberg.

Paterson, M. (1996) *Global Warming and Global Politics*. UK: Routledge.

Pfeifer, S. (2013) *King Coal Enjoys an Unexpected Renaissance in the UK*. Financial Times [online], 17 November. Available from: <http://www.ft.com/cms/s/0/f5229092-4ae5-11e3-ac3d-00144feabdc0.html#axzz2wDDjGAi5>.

Piebalgs, A. (2006) *Speaking Notes welcoming the agreement between Gazprom and Naftogaz, Joint Press Conference with Mr Bartenstein, Austrian Federal Minister for the Economy and Labour*. Europa Press Release [online], 4 January. Available from: http://europa.eu/rapid/press-release_SPEECH-06-1_en.htm.

Piebalgs, A. (2007a) *Energy for a changing World: The New European Energy Policy*. Europa Press Release [online], 27 January. Available from: http://europa.eu/rapid/press-release_SPEECH-07-38_en.htm.

Piebalgs, A. (2007b) *Future of Euro-Mediterranean Energy Relations*. Speech at the OME General Assembly Meeting. Europa Press Release [online], 10 December. Available from: http://europa.eu/rapid/press-release_SPEECH-07-809_en.htm.

Piebalgs, A. (2007c) *Interview: Higher energy prices 'inevitable', says Piebalgs*. Euractiv [online], 28 May. Available from:

<http://www.euractiv.com/energy/interview-higher-energy-prices-inevitable-piebalgs/article-160965>.

Piebalgs, A. (2009) *Speech at the 7th Doha Natural Gas Conference*. Europa Press Release [online], 11 March. Available from: http://europa.eu/rapid/press-release_SPEECH-09-102_en.htm.

Pierson, P. (1994) *The Path to European Integration: A Historical Institutional Analysis*. Working Paper 5.2, pp.1-34.

Pierson, P. (1996) *The Path to European Integration: A Historical Institutional Analysis*. *Comparative Political Studies*, 29(2), pp.123-163.

Pinto J., Strauss-Kahn V., Traca, D. (2004) *Deregulating electricity Markets: The French Case*. INSEAD Case Study [online], 08/2004-5189, pp.1-19. Available from: <http://dev.ulb.ac.be/soco/tracadan/uploads/file/EDF%20and%20the%20Deregulation.pdf>.

Platts (1992) *As EC Changes Near, France Prepares: STOP RESISTING: BRITTAN*. Platt's Oilgram News, 70.

Przeworski, A., Wallerstein, M. (1988) *Structural Dependence of the State on Capital*. *The American Political Science Review* [online], 82(1), pp.11-29. Available from: http://www.jstor.org/stable/1958056?seq=1#page_scan_tab_contents.

Public Safety and Emergency Preparedness Canada (PSEPC) (2005) *Impact of September 2000 Fuel Price Protests on UK Critical Infrastructure*. Incident Analysis [online], 25 January. Available from: <http://www.iwar.org.uk/cip/resources/PSEPC/fuel-price-protests.htm>.

Rega, N. (2012) *Europe's factories braced for power price squeeze*. Euractiv [online], 7 June. Available from: <http://www.euractiv.com/specialreport-energy-efficient-b/europes-factories-braced-power-p-news-512999>.

Rettman, A. (2012) *Poland to veto EU low carbon plan*. EU Observer [online], 8 March. Available from: <http://euobserver.com/environment/115526>.

Reuters (2001) *UK gas output to plateau, imports to get larger share*. Oil & Gas News [online], 10 February. Available from: <http://m.gulfnews.com/uk-gas-output-to-plateau-imports-to-get-larger-share-1.414999>.

Reynolds, P. (2003) *Oil and gas grease Putin's visit*. BBC World News [online], 24 June. Available from: <http://news.bbc.co.uk/1/hi/world/europe/3018268.stm>.

Rhodes, C. (2015) *Manufacturing: international comparisons*. House of Commons Briefing Paper, 05809, London: The House of Commons Library.

Rhodes, R., Thart, P. (2014) *Puzzles of Political Leadership* IN Rhodes, R., Thart, P., eds. *The Oxford Handbook of Political Leadership*. UK: Oxford University Press.

Richter, M. (2014) *Germany seeks to trim subsidies for renewable energy*. AFP [online], 21 January. Available from:

http://www.google.com/hostednews/afp/article/ALeqM5j-7vdtZ7rZBkQr_akvj1Hc9VD9ZQ?docId=1e7a1c97-a371-441a-b495-46ee612b0676&hl=en.

Rifkin, J. (2007) *Leading the Way to the Third Industrial Revolution: A New Energy Agenda for the European Union in the 21st Century*. White Paper [online], 14 September. Available from:

<http://www.foet.org/activities/Energy%20Vision%20Plan%20and%20Third%20Industrial%20Revolution%20for%20EU%20-%20footnoted.pdf>

Rifkin, J. (2011) *The Third Industrial Revolution: How Lateral Power Is Transforming Energy*. US: Palgrave Macmillan.

Rifkin, J. (2012) *Beyond Austerity: A Sustainable Third Industrial Revolution Economic Growth Plan For the European Union*. An Executive Summary of Jeremy

Rifkin's Keynote Speech for the Mission Growth Summit: Europe at the Lead of the New Industrial Revolution, hosted by The European Commission [online], 29 May. Available from: http://ec.europa.eu/enterprise/policies/innovation/files/mg-speech-rifkin_en.pdf.

Rifkin, J. (2014) *Digital Europe: The Rise of the Internet of Things and the Integration of the Single Market*. Keynote address at the Digital Action Day 2014 [online]. Available from: https://ec.europa.eu/digital-agenda/sites/digital-agenda/files/discussions/9.21.2014_digital_europe.pdf.

Riker, W. (1986) *The Art of Political Manipulation*. US: Yale University Press.

Riley, B., Hope, E. (2011) *Whodunit? Energy Efficiency Directive gutted*. Euractiv [online], 14 July. Available from: <http://www.euractiv.com/energy-efficiency/whodunit-energy-efficiency-direc-analysis-506572>.

Risse, T. (2009) Social Constructivism and European Integration IN Wiener A., Diez, T., eds. *European Integration Theory 2nd ed*. UK: Oxford University Press.

Robson, T. (2012) *Energy efficiency must be the bedrock of a future EU Industrial policy Business leaders tell European Commission*. EUASE Press Release [online], 19 September. Available from: <http://www.euase.com/wp-content/uploads/120919-PRESS-RELEASE-EU-ASE-dinner-debate-NIP-EN.pdf>.

Roche, P. (2005) *Is nuclear power a solution to climate change?* no2nuclearpower.org.uk [online], April. Available from: http://www.no2nuclearpower.org.uk/reports/Nuclear_Power_April_05v2.pdf.

Rosamond, B. (2002) Theories of Political Integration IN Gower, J., eds. *The European Union Handbook 2nd ed*. US: Fitzroa Dearborn Publishers.

Scheuer, S. (2011) *Save energy and invest in efficiency: A joint response to the economic and climate crisis*. The Coalition For Energy Savings [online], 16 November.

Available from: http://www.caneurope.org/resources/doc_view/1979-coalition-for-energy-savings-letter-to-energy-ministers-on-eed-nov-2011.

Schmidt, V. (2008) *Bringing Ideas and Discourse Back Into the Explanation of Change In Varieties of Capitalism and Welfare States*. Working Paper [online], 2, pp.1-25. Available from: <https://www.sussex.ac.uk/webteam/gateway/file.php?name=cgpe-wp02-vivien-a-schmidt.pdf&site=359>.

Schmith, V. (2003) French capitalism transformed, yet still a third variety of capitalism. *Economy and Society*, 32(4), pp. 526 – 554.

Schneider, A. (2008) *Die Sirenen schrillen*. *Internationale Politik*, 4 April, pp.34 – 45.

Schwartzbrod, A. (1995) *Yves Galland: «Privatiser EDF n'est pas imaginable.»Le ministre de l'Industrie s'exprime avant le conseil de l'UE*. *Liberation* [online], 1 June. Available from: http://www.liberation.fr/economie/1995/06/01/yves-galland-privatiser-edf-n-est-pas-imaginablele-ministre-de-l-industrie-s-exprime-avant-le-consei_135875.

Scott, M. (2012) *In Europe, Green Energy Takes a Hit From Debt Crisis*. *The New York Times* [online], 13 November. Available from: http://www.nytimes.com/2012/11/14/business/energy-environment/in-europe-green-energy-takes-a-hit-from-debt-crisis.html?_r=0.

Scrase et al. (2009) Introduction: Climate Policy is Energy Policy IN Scrase, I., MacKerron G., eds. *Energy for the Future: A New Agenda*. UK: Palgrave Macmillan.

Selby, J. (2007) *Beyond Hydro-Hegemony: Gramsci, the National, and the Trans-National*. SOAS Occasional Papers [online], pp. 1 – 13. Available from: <https://www.soas.ac.uk/water/publications/papers/file39697.pdf>

Shepsle, K. (2002) *Political Losers*. Inaugural William H. Riker Lecture [online].

Available from:

<http://dlc.dlib.indiana.edu/dlc/bitstream/handle/10535/5477/political%20losers.pdf>.

Shepsle, K. (2003) Losers in Politics (And How They Sometimes Become Winners):

William Riker's Heresthetic. *Perspectives on Politics*, 1(2), pp.307-315.

Sikkink, K. (2011) *Beyond the Justice Cascade: How Agentic Constructivism could*

help explain change in international politics. Keynote Address, Millennium Annual

Conference [online], 21 November. Available from:

[https://www.princeton.edu/politics/about/file-repository/public/Agentic-](https://www.princeton.edu/politics/about/file-repository/public/Agentic-Constructivism-paper-sent-to-the-Princeton-IR-Colloquium.pdf)

[Constructivism-paper-sent-to-the-Princeton-IR-Colloquium.pdf](https://www.princeton.edu/politics/about/file-repository/public/Agentic-Constructivism-paper-sent-to-the-Princeton-IR-Colloquium.pdf).

Sills, B. (2012) *Spain Halts Renewable Subsidies to Curb \$31 Billion of Debts*.

Bloomberg [online], 27 January. Available from:

<http://www.bloomberg.com/news/2012-01-27/spain-suspends-subsidies-for-new-renewable-energy-plants.html>.

Sinclair, T. (1996) Beyond international relations theory: Robert W. Cox and ap-

proaches to world order IN Cox, R. Sinclair, T., eds. *Approaches to World Order*.

UK: Cambridge University Press.

Sinclair, T. (2005) *The New Masters of Capital*. US: Cornell University Press.

Skjaerseth, J. (2013) *Unpacking the EU Climate and Energy Package: Causes, Con-*

tent, and Consequences. FNI Report [online], 2, pp.1-50. Available from:

<http://www.fni.no/doc&pdf/FNI-R0213.pdf>.

Smith, R. (1999) *Business: The Economy. Why we should worry about oil*. BBC

[online], 25 August. Available from: <http://news.bbc.co.uk/1/hi/business/430036.stm>.

Stern, J. (2006a) *The Russian-Ukrainian Gas Crisis of January 2006*. Oxford Institute for Energy Studies, pp.2-17.

Stern, N. (2006b) *Stern Review: The Economics of Climate Change*. Executive Summary [online], 1-27. Available from:

<http://siteresources.worldbank.org/INTINDONESIA/Resources/226271-1170911056314/3428109-1174614780539/SternReviewEng.pdf>.

Stern, N. (2009) *Connecting climate change and economic recovery*. McKinsey Insights & Publications [online]. Available from:

http://www.mckinsey.com/insights/sustainability/connecting_climate_change_and_economic_recovery.

Stern, N. (2011) *The low-carbon industrial revolution*. LSE Works [online], pp.3-39. Available from:

<http://www.lse.ac.uk/publicEvents/pdf/20110317%20Nick%20Stern%20ppt.pdf>.

Stern, N. (2013) *Société innovante: plaidoyer pour une économie européenne sobre en carbone*. LesEchos.fr [online], 10 July. Available from:

<http://lecercle.lesechos.fr/economie-societe/energies-environnement/developpement-durable/221176498/societe-innovante-plaidoyer->

Stewart, H., Elliott, L. (2013) *Nicholas Stern: 'I got it wrong on climate change – it's far, far worse'*. The Guardian [online]. 26 January. Available from:

<http://www.guardian.co.uk/environment/2013/jan/27/nicholas-stern-climate-change-davos>.

Stinchcombe, A. (2000) Social structure and organizations IN Baum, J., Dobbin, F., eds. *Economics Meets Sociology in Strategic Management (Advances in Strategic Management, Volume 17)*. Emerald Group Publishing Limited.

Stollinger, R. et al., (2013) *A 'Manufacturing Imperative' in the EU – Europe's Position in Global Manufacturing and the Role of Industrial Policy*. wiiw Research Reports [online], 391. Available from: <http://wiiw.ac.at/a-manufacturing-imperative-in>

[the-eu--europe-s-position-in-global-manufacturing-and-the-role-of-industrial-policy-competitiveness-report-2013--pj-27.html](#).

Stuckey, J., White, D. (1993) *When and when not to vertically integrate*. *McKinsey Quarterly* [online], August. Available from: http://www.mckinsey.com/insights/strategy/when_and_when_not_to_vertically_integrate.

Suddaby, R., Greenwood, R. (2009) Methodological Issues in Researching Institutional Change IN Buchanan, D., Bryman, J., eds. *The Sage Handbook of Organizational Research Methods*. UK: Sage Publications.

Supponen M. (2011) *Influence of National and Company Interests on European Electricity Transmission Investments*. Doctoral Dissertation, 77/2011.

Szymański, K. (2013) *Europe must fundamentally reform ' its climate policy*. The Parliament [online], 3 October. Available from: <http://www.theparliament.com/latest-news/article/newsarticle/europe-must-fundamentally-reform-its-climate-policy/#.UyryuvmSzTo>.

Tajani, A. (2012) *Energy efficiency must be the bedrock of a future EU Industrial policy Business leaders tell European Commission*. EUASE Press Release [online], 19 September. Available from: <http://www.euase.com/wp-content/uploads/120919-PRESS-RELEASE-EU-ASE-dinner-debate-NIP-EN.pdf>.

Taylor, A., McNulty, S. (2004) *The nuclear option: why atomic power is creeping back into political favour*. *Financial Times* [online], 8 October.

Taylor, M. D. (2002) *Nuclear safety in an enlarged European Union*. The European Commission's "Nuclear Package". *Nuclear studies* [online]. Available from: http://ec.europa.eu/energy/nuclear/studies/doc/other/nuclear_engineer_dmt.pdf.

Taylor, S. (2011) *MEP urges governments to back energy efficiency to boost growth*.

European Voice [online], 20 October. Available from:

<https://www.europeanvoice.com/article/imported/mep-urges-governments-to-back-energy-efficiency-to-boost-growth/72336.aspx>.

The Economist (2003) *Venezuela's oil crisis: Oil's not well*. The Economist [online], 6 February. Available from: <http://www.economist.com/node/1572424>.

The Economist (2010) *Green energy: Wild is the wind*. The Economist [online], 23 September. Available from: <http://www.economist.com/node/17103845>.

The Economist (2013) *Europe's dirty secret: The unwelcome renaissance*. The Economist [online], 5 January. Available from:

<http://www.economist.com/news/briefing/21569039-europes-energy-policy-delivers-worst-all-possible-worlds-unwelcome-renaissance>.

The Green 8 (2002) *How green is the Prodi Commission?* The Green 8 Environmental Mid-Term Review [online]. Available from:

<http://www.transportenvironment.org/sites/te/files/media/7-02-G8ProdiMidTermReview.pdf>.

The Nobel Foundation (2007) *The Nobel Peace Prize 2007*. Nobelprize.org [online], 13 September. Available from:

http://www.nobelprize.org/nobel_prizes/peace/laureates/2007/.

Thelen, K. (1999) Historical Institutionalism in Comparative Politics. *Annual Review of Political Science* [online], 2, pp.369-404. Available from:

<http://www.annualreviews.org/doi/pdf/10.1146/annurev.polisci.2.1.369>.

Thorning-Schmidt, H. (2012) *Speech delivered at Centre for European Policy Studies (CEPS)*. [online], 29 February, Brussels. Available from:

http://www.stm.dk/_p_13629.html.

Thumann, J. (2013) *Thumann: EU must cut green tape to boost industrial competitiveness*. Euractiv [online], 15 May. Available from: <http://www.euractiv.com/specialreport-ebs/thumann-EU-must-cut-green-tape-519718>.

Topaloff, L. (2014) *Mythic origins or original sin? Euroscepticism and an ever closer reality*. Open Democracy [online], 25 April. Available from: <https://www.opendemocracy.net/can-europe-make-it/liubomir-topaloff/mythic-origins-or-original-sin-euroscepticism-and-ever-closer-r>.

Tovias, A. (2000) The Economic Aspects of Stable Peace-making IN Kacowicz, A. et al., eds. *Stable Peace Among Nations*. US: Rowman & Littlefield Publishers.

Treaty of Paris (1951) *Treaty Establishing the European Coal and Steel Community* [online], 18. Available from: http://aei.pitt.edu/37145/1/ECSC_Treaty_1951.pdf.

UNFCCC (2014) *IPCC Established, timeline* [online]. Available from: <http://unfccc.int/timeline/>.

Umbach, F. (2008) German Debates on Energy Security and Impacts on Germany's 2007 EU Presidency IN Marquina, A., eds. *Energy Security: Visions from Asia and Europe*. UK: Palgrave Macmillan.

UNICE (2001) *Towards a European Strategy for the Security of Energy Supply*.

UNICE opinion on commission green paper, 19 June, pp.2-12.

UPI (2012) *Italy to cut renewable energy subsidies*. Business News [online], 2 April. Available from: http://www.upi.com/Business_News/Energy-Resources/2012/04/02/Italy-to-cut-renewable-energy-subsidies/UPI-52381333362600/.

Vaise, J. (2008) *Nicolas Sarkozy at the Helm: What to Expect from the French Presidency of the European Union, July-December 2008*. Brookings Paper [online], June. Available from: <http://www.brookings.edu/research/papers/2008/06/sarkozy-vaiss>.

Vasagar, J. (2014) *Germany cautions on the impact of renewables*. Financial Times [online], 21 January. Available from: <http://www.ft.com/cms/s/0/8c207bec-82a1-11e3-8119-00144feab7de.html#axzz2wDDjGAi5>.

Vasarri, C., Sirletti, S. (2012) *Italy to Reduce Renewable Energy Subsidies, Passera Says*. Bloomberg [online], 31 March. Available from: <http://www.bloomberg.com/news/2012-03-31/italy-to-reduce-renewable-energy-subsidies-passera-says.html>.

Verhoeff, E., Niemann, A. (2011) National Preferences and the European Union Presidency: The Case of German Energy Policy towards Russia. *Journal of Common Market Studies* [online], 49(6), pp.1271-1293.

Verkuyl, O., Roggenkamp, M., Boisseleau, F. (2005) The Liberalisation of the Electricity Sector in the Netherlands and the Role of the APX IN Roggenkamp, M., Boisseleau, F. eds. *The Regulation of Power Exchanges in Europe*. UK: Intersentia.

Veugelers, R. (2013) Trends, challenges and prospects for manufacturing in Europe IN Veugelers, R., eds. *Manufacturing Europe's future*. Brussels: Bruegel Blueprint.

Vinen, R. (2000) *A History in Fragments*. UK: Hachette Digital.

Waeber, O. (2009) Discursive Approaches IN Wiener, A., Diez, T., eds. *European Integration Theory 2nd ed.*, UK: Oxford University Press.

Wallstrom, M. (2001) *Sustainable Energy: Energieforum 2001*. Europea Press Release [online], 1 February. Available from: http://europa.eu/rapid/press-release_SPEECH-01-45_en.htm.

Wallstrom, M. (2003) *Speech by Margot Wallstrom, Member of the European Commission responsible for Environment, on " Hydrogen - bridge to sustainable energy.*

High Level Group on Hydrogen and Fuel Cell Technologies Conference, 17 June.

Waltz, K. N. (1979) *Theory of International Politics*. US: McGraw-Hill.

Watt, N. (2006) *Blair warns of climate change 'tipping points'*. The Guardian

[online], 20 October. Available from:

<http://www.theguardian.com/world/2006/oct/20/greenpolitics.politics>.

Webb, T. (2009) *Shell dumps wind, solar and hydro power in favour of biofuels*. The

Guardian [online], 17 March. Available from:

<http://www.theguardian.com/business/2009/mar/17/royaldutchshell-energy>.

Weber, M. (1946) *Essays from Max Weber*. UK: Routledge & Kegan Paul. *Essays*

from Max Weber., trans. Gerth, H., Mills C. UK: Routledge and Kegan Paul.

Wells, K. (2012) *Big Oil's Big in Biofuels*. Businessweek [online], 10 May. Available

from: <http://www.businessweek.com/articles/2012-05-10/big-oils-big-in-biofuels>.

Wendt, A. (1999) *Social Theory of International Politics*. UK: Cambridge University

Press.

Widmaier, W., Blyth, M., Seabrooke, L. (2007) Exogenous Shocks and Endogenous

Constructions. *International Studies Quarterly*, 51, pp.747-759.

Wiesmann, G. (2012) *Europe's fears over US energy gap*. Financial Times, 9 No-

vember. Available from: [http://0-www.ft.com.serlib0.essex.ac.uk/cms/s/0/c7ff93d0-](http://0-www.ft.com.serlib0.essex.ac.uk/cms/s/0/c7ff93d0-28ef-11e2-b92c-00144feabdc0.html)

[28ef-11e2-b92c-00144feabdc0.html](http://0-www.ft.com.serlib0.essex.ac.uk/cms/s/0/c7ff93d0-28ef-11e2-b92c-00144feabdc0.html).

Wille, A. (2013) *The Normalisation of the European Commission: Politics and Bu-*

reaucracy in the EU Executive. UK: Oxford University Press.

Wille, B. (2012) *Global Warming: Unabridged Guide*. US: Tebbo.

World Bank (2015) *Manufacturing, value added (% of GDP)*. Data [online]. Available from: <http://data.worldbank.org/indicator/NV.IND.MANF.ZS>.

WTO (2009) *Trade and Climate Change*. WTO-UNEP Report. Switzerland: WTO Publications.

WWF (2005a) *WWF PowerSwitch! scenarios for a clean energy future*. WWF [online], 28 November. Available from: <http://wwf.panda.org/?52140/WWF-PowerSwitch-scenarios-for-a-clean-energy-future>.

WWF (2005b) *Climate Change and Extreme Weather Events in Europe*. Report [online]. Available from: <http://awsassets.panda.org/downloads/climateimpactsineuropefinal24805.pdf>.

WWF (2008) *Jobs and the Climate & Energy Package*. WWF Position Statement.

WWF (2013a) *Climate Savers*. WWF [online]. Available from: http://wwf.panda.org/what_we_do/how_we_work/businesses/climate/climate_savers/.

WWF (2013b) *Re-energising Europe – The case for post-2020 renewable energy targets and support*. WWF Briefing paper [online], 12 March. Available from: <http://wwf.panda.org/?207857/WWF-Briefing-paper-Re-energising-Europe--The-case-for-post-2020-renewable-energy-targets-and-support>.

Yacobucci, B. (2014) *Energy Policy: 113th Congress Issues*. Congressional Research Service [online]. Available from: <https://www.hsdl.org/?view&did=758001>.

Young, O. (1991) Political leadership and regime formation: on the development of institutions in international society. *International Organisation* [online], 45(3), pp.281-308. Available from: <http://journals.cambridge.org/action/displayFulltext?type=1&fid=4309504&jid=INO&volumeId=45&issueId=03&aid=4309496&bodyId=&membershipNumber=&socieyETOCSession=>.