MAKING ENERGY POLICY: TOWARD A FRAMEWORK OF ANALYSIS

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Overview

This paper addresses the question of how we can best understand, as well as predict, the path of national energy policy in the face of a changing political and technological environments. The paper presents a framework for understanding energy policymaking based on the institutional rational choice perspective of the late Nobel laureate social scientist, Elinor Ostrom. I expand on a previous paper of mine on modeling the political responses to energy shocks and crises (Grossman 2015). Contrasting developments of nuclear power policy in the U.S., France, Germany and Japan are analyzed using this framework.

Methods

Ostrom provides a generalized mapping of the policy process that permits tests of various models and theories against empirical results (Ostrom 2005, 2011). Her Institutional Analysis and Development (IAD) framework provides the outlines of a method to systematically examine the forces generally motivating energy policy. Figure 1 is a variant of her framework. The area to the left represents key variables and initial institutional conditions.

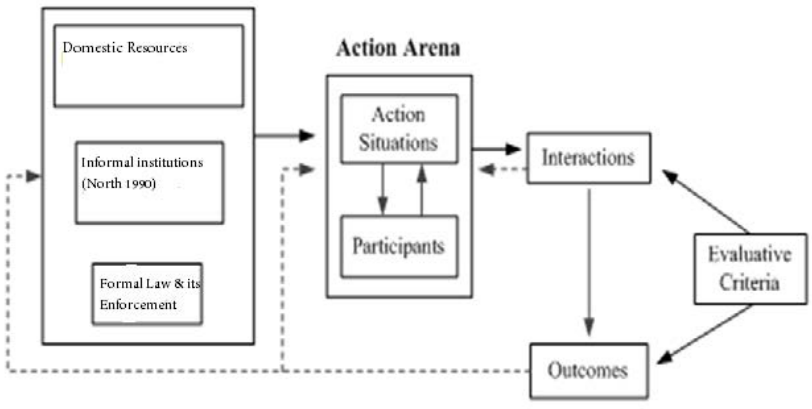

Figure 1. Basic Components of the IAD Framework

Source: Adapted from Ostrom (2005) p. 15

In this context, models that theorize about policy responses to salient events can be tested for their explanatory ability with respect to interactions, outcomes and evaluations—as per the right hand side of the figure. The framework is the ideal vehicle for a comparative institutional analysis (Demsetz 1969) to address such questions as: how energy shocks reorder previously coalitions; how changes of public opinion alter policy dynamics; and how

political change as well as events lead to new (if not always unambiguous) understandings of what the energy policy process can actually achieve.

Results

The framework is used to analyze nuclear power policies. I analyze events against predictions of several basic policy models. The results show that the explanatory capacity of different models varies according to institutional characteristics of the countries being studied. Thus, for example, a path dependency model (Pierson 2000) does well in explaining French policy, while a punctuated equilibrium model (Baumgartner and Jones 2009) is better at explaining German policy changes.

Conclusions

The main lesson is this: Institutions are important not only in the making of energy policy, but also in the way the process can be best understood. The next step is to look at how energy policy is actually made across the globe, and to test the explanatory power of this framework.

References

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