Can Democracies Handle the Long-Term Climate and Energy Issues? The Case of the EU

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Green Economics and Science Based Activism
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Energy Security, Climate Change and the EU’s Regulatory Policy Tools

• **Short term security**
  - Network interruption
  - War and terrorism
  - Natural disasters

• **Medium term security**
  - Efficient and fail pricing (public goods)
  - Duty to supply (public service)
  - Local and EU-wide pollution

• **Long term security**
  - Import dependency (strategic commodity)
  - Resilient + adaptable systems
  - Sustainable (low carbon) economy
  - Managing the energy transition

• **Policy tools (short term)**
  - Network regulation and safety rules
  - Oil stocks and gas storage
  - Disaster management

• **Policy tools (medium term)**
  - Competition law, SEM, ownership
  - Public service provisions
  - Environment law (EU and national)

• **Policy tools (long term)**
  - SEM + external energy policy (soft power with a hard edge)
  - Diversification: Renewables, energy efficiency and nuclear energy
  - EU climate measures (ETS) and efforts at global leadership

=> Fear not a shortage of fossil fuel, but the consequence of using it all!
## The EU: Democracy and Climate Change

<table>
<thead>
<tr>
<th></th>
<th>Democracy: NO</th>
<th>Democracy: YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANNOT handle climate change</td>
<td>Depressing on both counts, <strong>but not very interesting</strong> or newsworthy.</td>
<td>Depressing climate-wise, <strong>but confirms Jørgen’s worries!</strong></td>
</tr>
<tr>
<td>CAN handle climate change</td>
<td>Good climate-wise, <strong>confirms Jørgen’s theory</strong>, but is it viable in times of crisis?</td>
<td>The European Commission’s dream: <strong>Win-Win!</strong></td>
</tr>
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Mostly harmless!

- **Is the EU Democratic?** => power-sharing!
  - Power-sharing in a plural polity: Inter-governmental decision-making.
  - Delegation to non-majoritarian bodies: The regulatory state.
  - Parallel politics: the member states control the energy mix.

- **Can it handle challenges?** => regulation!
  - EU energy and climate polices are compatible with the climate agenda
  - But member states control key instruments (vetoed EU CO2-tax)
  - But the climate is a global collective action problem. => USA + BRICS?

- **What is the relationship between the two?** => tension!
  - **The Tools**: EU regulatory competence => majoritarian, regulatory success
  - **Legitimacy**: Consensual decision making + national discretion
  - But 31 national democratic processes: different time horizons + priorities

=> Two dangers:  
1) state policy may be incompatible with EU goals  
2) EU (or global!!) policy may generate backlash
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<td>WRONG!</td>
<td>28 state policies</td>
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| CAN handle climate change | EU Commission’s 1990s over-optimism | The EU regulatory state today (robust, but modest regime) |