Varieties of capitalism and renewable energy policy in the EU

Towards a common but differentiated approach

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Aron Buzogány & Stefan Ćetković
Otto-Suhr Institute for Political Science
Freie Universität Berlin
VoC and renewable energy policy

Our focus

- Conditions and current trends in renewable energy promotion across different varieties of capitalism in the EU
- How can an effective common EU approach look like?

Varieties of Capitalism (Hall & Soskice, 2001)

- Coordinative market economies (CMEs): Germany
- Liberal market economies (LMEs): UK
- Dependent market economies (DMEs): Visegrad plus Bulgaria and Romania
Assessment framework

Domestic market creation (RES share)

Industrial policy (job creation, innovations)

Civic participation (community-owned projects, decentralization)
Some convergence along CME style

- Germany 'leader' across all three dimensions: State-industry-science collaboration plus bottom-up development
- UK 'follower' (domestic market + industry): Price-based policy plus enhanced state-industry-science coordination
- DMEs 'laggards' (domestic market): Rapid but one-sided and highly unstable foreign-driven RES policy
Recent convergence along LME style

- Marketization, centralization and upscaling of RES projects and technologies

- Germany: civic participation and decentralization endangered

- UK: 'climate change mitigation' focus; large offshore wind projects plus nuclear and CCS

- DMEs: gradual withdrawal of state support for RES
Implications for EU2030 and beyond

• Risk of reinforcing existing centralized energy structures and incompatible energy systems across the EU (coal, nuclear, gas, RES)

• EU-wide approach needed…

• …but should focus on balanced and coordinated enhancement of the three dimensions of renewable energy policy based on comparative advantages of different forms of national economies.
Thank you for your attention!

buzogany@zedat.fu-berlin.de
cetkovic@zedat.fu-berlin.de