Broadening Public Support for the UK's Evolving Energy Policy

LSE Research Briefing by Dr Liam Beiser-McGrath

Summary

- One option for helping to achieve global net zero goals is to decrease demand for fossil fuels by increasing costs. While this, and ideas like it, are under active consideration by policymakers, energy policy and the green transition have taken on wider prominence given recent energy disruptions such as the war in Ukraine.
- As these seismic shifts necessitate urgent policy responses, there is increasing need to also understand how the public responds to, and can be persuaded to support, policy changes especially in times of crisis.
- New research from LSE's Dr Liam Beiser-McGrath **examines public preferences for energy policy in the UK**. His analysis considers: which policy features and framings increase public support for energy policies; the relative importance of highlighting the features of policy and the framing of context around them in garnering public support; and the effect of individuals' characteristics (party affiliations, economic circumstances, and attitude to foreign policy) on support for energy policies and their design.
- Dr Beiser-McGrath's findings, gathered from survey experiments of 1,031 people in the UK at the height of the energy crisis in August 2022, set out clear opportunities for policy makers to increase the political acceptability of climate change policies through careful policy design and political communication. These include:
 - Focusing on policy design rather than policy framing and messaging, as design has a stronger impact on public support than messaging that emphasises the security and economic imperatives of energy policy.
 - Designing policy that involves investing in renewable sources, providing targeted support for vulnerable groups (ie: redistributive policies), and reducing energy dependence on hostile nations.
 - **Taking into account the heterogeneity in public responsiveness to policy framing,** which varies between Labour and Conservative voters, and those with different attitudes to UK foreign policy.

1. Energy Policy Design

Analysis shows that individuals in the UK have distinct preferences for the design of climate policy:

- Individuals significantly prefer using renewable energy sources. There is some support for nuclear energy, whilst coal, gas and shale gas are the least popular.
- Individuals are broadly supportive of "the polluter pays" principle for financing energy policy, namely through windfall and carbon taxes. Conventional fiscal instruments, such as income taxes, are likely to be the least popular funding source.
- Individuals prefer policy to be redistributive, targeting schemes to different vulnerable groups. Revenue recycling that supports those adversely affected by climate change policies, for instance, can help achieve majority support for energy policy.

- This finding supports Beiser-McGrath's previous studies analysing support for carbon taxation in Germany and the USA. A survey experiment in Germany and the USA found that redistributing the tax revenue generated by carbon taxation through a tax rebate significantly reduced opposition, particularly amongst high-income voters.¹ Another survey experiment in Germany found that providing information about the actual distribution of household CO2 emissions (ie carbon inequality) increases support for carbon taxation, particularly amongst those at the bottom of the income distribution, by 5.9 percentage points.²
- **Policies that promote energy independence are preferred**, rather than reliance on energy imports from Russia and non-democracies.
- Subsidies can increase support for domestic energy efficiency measures and solar installation. However, subsidising heat pumps and electrified transport does not significantly increase support for these measures.

Recommendation:

• The Government can increase the political feasibility of costly climate policies by recognising public preferences for: renewable energy sources; targeted support for vulnerable groups; reducing dependence on imports from hostile nations.

2. Energy Policy Framing

- Governments have sought to generate support for energy policy through messaging that emphasises security and economic imperatives: the need to reduce dependence on fossil fuel imports from hostile nations and the need to reduce volatility in energy prices However, public responsiveness to security arguments are heterogenous, varying by foreign policy attitudes and political affiliation.
- The data shows that individuals supportive of UK intervention in the Russia-Ukraine conflict were more accepting of the security framing of energy policy than those opposed to intervention by 7%.
- Support for energy policies among Labour voters is lower (62.3%) than support among Conservatives (68.4%) in response to messaging about national security, potentially due to the perception that policies will be carried out by the then incumbent Conservative government.
- There was little difference in responsiveness between Leave and Remain voters, and those differentially affect by the cost-of-living crisis, suggesting economic arguments are weak in increasing public support.

¹ "How Do Pocketbook and Distributional Concerns Affect Citizens' Preferences for Carbon Taxation?", Liam F. Beiser-McGrath and Thomas Bernauer, *The Journal of Politics*, (2024), 86:2, 551-564. <u>https://doi.org/10.1086/727594</u>

² "Carbon inequality and support for carbon taxation", Liam F.Beiser-McGrath and Marius R. Busemeyer, *European Journal of Political Research*, (2024), 63: 1286-1307. https://doi.org/10.1111/1475-6765.12647

• By contrast, there is little variation in policy design preferences among the sub-groups, suggesting that policy design has a more robust impact on increasing support for energy policy than framing.

Recommendation:

- Energy policy should not depend solely on messaging to generate public support, as emphasising the security dimensions of energy policy plays only a limited role in building support among certain population groups.
- Policy makers should focus on developing substantive policy solutions that address the multidimensional nature of individuals' relations to energy policy and the energy transition writ large to build public support.