

## The Environmental Economic Conference 2024

Presenter: Troels Krarup

## Climate Conservative Expertise? An analysis of 25 years of policy advise on support for wind power by the Danish Economic Council

Authors and affiliation: Troels Krarup (Associate Professor, Aalborg University) og Peter Karnøe (Professor, Aalborg University)

The Danish Economic Council (DEC) has long recognized the severity of anthropogenic climate change. Nonetheless, DEC's analyses, policy advice, and contributions to public debate have systematically criticized and advised against a number of concrete policies to promote wind power in Denmark. We identify 562 official DEC documents (reports, articles, and newspaper contributions) mentioning wind power. On that basis, we study how DEC (1) has analyzed policies supporting wind power, (2) has drawn conclusions and policy advice from those analyses, and (3) justify these in terms of empirical and theoretical arguments. We find that at since around 2000, DEC's analyses and policy advice have been 'climate conservative' in the sense that they have not only supported a narrow set of policy instruments (uniform CO2 tax, quota system) but also systematically and categorically rejected all other instruments – including various forms of support for wind power. Analyses and arguments have been strongly theory-driven, involved reversed burden of proof, omitted institutional and political dynamics, and lacked a strategic perspective on green transition. Within recent years, we see signs of mitigating these concerns, but still argue that more transparency and reflection is needed concerning the limitations for political action implied by macroeconomic theories and models themselves.