



Reducing dependence on oil? How policy entrepreneurs utilize the national security agenda to recruit government support: The case of electric transportation in Israel

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H I G H L I G H T S

- ▶ We define policy entrepreneurs and describe their main characteristics.
- ▶ We suggest several theoretical insights into how policy entrepreneurs utilize the national security agenda to recruit government support for their own projects.
- ▶ We examine our theoretical insights using the case study of an Israeli company building an infrastructure for electric vehicles.

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Policy entrepreneurs are individuals who exploit an opportunity in order to influence political results for their own benefit. We use the policy entrepreneurship literature as a theoretical lens for understanding how local players in the policy arena can use a national security agenda in order to promote an energy policy they desire. Using a case study approach, we explain how an Israeli electric vehicle company, Better Place, identified Israel's acute national security priority to cut its dependence on oil and leveraged it, along with environmental arguments, to make the case for their approach to transportation. Our analysis also demonstrates how policy entrepreneurs collaborate with Israeli bureaucrats, senior politicians and lobbying groups to create a national shift toward electric cars.

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1. Introduction

Since the 1980s, the field of entrepreneurship has become more relevant in the scholarly discourse about policy. A variety of studies have used this notion to explain policy outcomes (Mintrom, 2000; Mintrom and Vergari, 1998; Ostrom, 2005; Roberts and King, 1991, 1996; Schneider et al., 1995). Policy entrepreneurs are individuals who exploit an opportunity in order to influence political results for their own benefit, in the absence of the resources required for such activity (Arieli and Cohen, in press). They are not satisfied with merely promoting their self-interests within institutions that others have established. Rather, they try to influence a given public policy in order to open up new horizons of opportunity. They are well versed in the social and political context in which they function and demonstrate high levels of social acuity in understanding others and engaging in policy conversations (Mintrom and Norman, 2009;

652–654). Thus, they identify windows of opportunity (Kingdon, 1995) for introducing innovative policies within the existing social order.

Policy entrepreneurship is a good context for understanding the activities of individuals who exploit an opportunity in order to influence political results and promote a political agenda that serves their business interests. While studies have investigated the involvement in and influence of business communities on public policy in Western democracies (Vogel, 1996; Wilson, 1985), as well as in non-democratic regimes (Cohen and Ben Porat, 2008), the influence of policy entrepreneurs from the private sector especially in the context of energy policy has attracted less attention.

The electric vehicle market is an area in which we can see clear evidence of the influence of policy entrepreneurs. Business entrepreneurs need access to new markets, but they must also consider the politics, bureaucracy and regulations governing these markets. Given that democracies often have extensive regulations, the interactions between policy entrepreneurs and politicians, bureaucrats and interest groups are an integral part of promoting new policies. Hence, an interesting area to examine is

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the strategies that policy entrepreneurs use in order to shape the regulations they desire.

In this article we point out certain desired goals at the national and global levels that offer policy entrepreneurs a window of opportunity in their effort to establish public policies that suit their own personal interests. Specifically, we use the policy entrepreneurship literature as a theoretical lens through which to understand how local players in the policy arena can use a national security agenda to promote the energy policy they desire. Using a case study approach, we explain how an Israeli electric vehicle company, Better Place, identified Israel's acute national security priority to cut its dependence on oil and leveraged it, along with environmental arguments, to make the case for their approach to transportation.

In order to collect our empirical data, we conducted a series of interviews with the chief environmental engineer and marketing/sales manager in the company headquarters at Park Afek, Rosh Ha'Ayin in Israel and with employees at the visitor center at Pi Gllilot, Herzliya during the years 2009–2012. The interviews were conducted in Hebrew using the snowball sampling method (Cohen and Arieli, 2011), and afterwards translated into English. We collected additional reports about the company's entrepreneurial policy, operations strategy, economic model, and technological developments from secondary sources for triangulation. For direct observation of the charging infrastructure and battery swapping stations, we conducted three comprehensive tours at the visitor center supervised by experts from the company.

The rest of the article is structured as follows. Section 2 reviews the literature on policy entrepreneurial and public policy. Section 3 describes the Israeli government's decisions pertaining to the electrification of transportation that are relevant to our case study. In Section 4, we compare Better Place and other competitors in the market. Section 5 uses Roberts and King's (1991) framework to analyze the company's policy entrepreneurship activities to promote the introduction of electric vehicles in Israel. The final section is devoted to a discussion and conclusion.

2. Policy entrepreneurs and public policy

Policy entrepreneurs are individuals who exploit an opportunity in order to influence political results for their own benefit, in the absence of the resources required for such activity (Cohen, 2012). Kingdon (1995) explains that policy entrepreneurs may come in or out of government, serve in elected or appointed positions, or be part of interest groups or research organizations. Hence, policy entrepreneurs may work from inside or outside the formal governmental system to introduce, translate, and implement innovative ideas (Arieli and Cohen, in press). Thus, entrepreneurs in the energy business who exploit an opportunity in order to influence political outcomes that favor their business, in the absence of the resources required for such activity, may be considered policy entrepreneurs operating in the energy policy arena.

Given that entrepreneurs do not have access to all of the necessary political resources themselves, they need to negotiate, persuade, compromise and be flexible in a variety of areas. Hence, the entrepreneur's skills, ability to distinguish between the essential and the non-essential with regard to the proposed change, and the willingness to relinquish the non-essential in order to succeed in achieving the desired policy change are clearly a recipe for successful entrepreneurial action.

In this context, participation in decision making may contribute to success. Given that on their own, entrepreneurs lack the necessary resources to effect the change, in order to succeed they have to attract the support of key players in the policy arena, especially

where factors opposing the change and favoring preservation of the status quo are powerful. The more politically powerful the supporters, the easier it will be for the entrepreneur to recruit the resources needed.

The existence of an opportunity is a very important condition for success. Such an opportunity automatically includes the potential to create value for the entrepreneur, from the point of view of both timing and results. Such an opportunity may arise from developments in the political system (the political arena), in the socio-economic power system (the local or global arena) or both (a combination of opportunities). In our case, we will look at a national security concern that identifies dependence on foreign oil as the potential for a national security crisis. Such a concern gives policy entrepreneurs a window of opportunity for promoting their own business agenda.

The combination of motivation, abilities and a window of opportunity is the key to the entrepreneur's success in effecting policy change. Successful entrepreneurial action involves identifying the needs of significant groups in society and leveraging the political system to fulfill their needs. As we will demonstrate in the next section, Israel's need to reduce the country's dependence on oil for national security reasons provided energy policy entrepreneurs with precisely the opening they needed to advance their own particular solution to this problem.

3. The Israeli policy regarding the electrification of transportation and the Better Place company

The motivations for electrifying transportation vary among countries. While in Denmark, the prime goal is to exploit wind as a green energy resource to propel transportation (Christensen et al., 2012), in Israel the need to reduce air pollution is supported by a political agenda of reducing Israel's dependence on oil for national security reasons. As the company engineer elaborated in an interview: *"Importation of oil that originates from hostile countries is a security risk that motivated the government legislators in Israel."*

The Israeli government made several strategic decisions involving various governmental agencies to push forward a reform in the transportation sector based on the extensive use of electric vehicles. For example, in October 2007, based on a proposal made by the Minister of National Infrastructures and the Minister of Environmental Protection to reduce air pollution from transportation, government resolution no. 2452 was issued. Section 12(a) states: "To examine within a year the pros and cons of vehicles recharged with electricity from the national electricity grid and to recommend policies on this issue, including the generation and transmission of electricity for charging the vehicles, creating a solution for used batteries and formulation of a long-term tax policy for this new technology." Section 14 says that the Ministry of National Infrastructure will support "Ventures that develop alternative means of propulsion characterized by high energy efficiency, which contribute to significant reduction in air pollution and greenhouse gas emissions relative to existing technologies, granting preference to technologies according to their potential for improvement."

Subsequently, in November 2007, government resolution no. 2580 was issued:

The government also resolved to review favorably the integration of non-polluting technology alternatives to transportation fuels, in order to reduce the dependency of the State of Israel on fuel and to join the global trend seeking to reduce environmental harm in general and harm resulting from the use of fuel in private vehicles in particular; to examine, within a short

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