

**포스트코로나 시대 전략적 정책관리방안 연구:  
영국의 2022 미니버짓 정책철회 사례를 중심으로**

**2024년 5월**

**행정안전부  
홍정우**

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## 국외훈련 개요

1. **훈련국:** 영국
2. **훈련기관명:** 요크대학교 (University of York)
3. **훈련분야:** 정책관리
4. **훈련기간:** '22.9.10.~'24.7.9.

## 훈련기관(University of York) 개요

### 개괄

- 요크대학교는 영국 요크에 위치한 연구중심 명문 대학
- 1963년에 설립된 이래, 지속적인 성장을 통해 영국과 세계를 선도하는 대학 중 하나로 발전
- 요크대학교는 탁월한 연구실적뿐만 아니라 혁신적인 교육과 뛰어난 캠퍼스를 자랑하고 있음

### 교육 및 연구

- 교육 프로그램: 요크대학교는 인문학, 사회과학, 경영학, 자연과학, 공학 등 여러 학문 분야에 걸친 다양한 프로그램을 학부 및 대학원 수준에서 운영하고 있고, 각 단과대학은 특화된 코스와 연구 기회를 제공하고 있음
- 연구: 요크대학교는 탁월한 연구실적과 혁신으로 잘 알려져 있는데, 특히 보건, 지속가능성, 디지털 기술, 사회정책 등에 특화된 다양한 연구기관을 운영하고 있으며, 국제적 문제 해결을 위해 산업, 정부, 다른 연구기관 등과 적극적으로 협력하고 있음
- 평가: 요크대학교는 영국 유수의 24개 대학으로 구성된 러셀 그룹(Russell Group)의 일원으로, 전 세계의 뛰어난 학생과 교원을 유치하고 있으며 국제적이고 포용적인 교육환경을 제공하고 있음

- \* The Times Good University Guide 2024 : 종합 15위, 14개 학과 10위  
Complete University Guide 2024: 종합 17위, 13개 학과 10위  
Guardian University Guide 2024: 종합 19위, 6개 학과 10위

## 조직, 대학, 캠퍼스

- 학부: 요크대학교에는 인문학부, 사회과학부, 경영학부, 자연과학부, 공학부, 물리학부 등 다양한 학부가 있고, 각 학부는 여러 학과와 연구기관들로 구성되어 있음
  - 학과: 요크대학교 학부에는 영문학, 역사학, 화학, 물리학, 경제학, 사회학, 컴퓨터공학, 고고학, 교육학, 정치학, 미디어학 등 매우 많은 학과가 있음
  - 캠퍼스: 요크대학교는 영국의 역사적 도시인 요크에 위치하여 호수 및 녹지공간으로 둘러싸인 500에이커 규모의 공원에 자리잡고 있고 캠퍼스에는 도서관, 연구기관, 실험실, 강의실, 극장, 스포츠센터 등 다양한 시설들이 있음
- \* 주소: University of York, York, YO10 5DD, United Kingdom  
전화번호: +44 (0)1904 320 000

< 참고: **A Strategy for the University of York to 2030** >

## **The University of York exists for public good**

### 1. Aims

- Curiosity-driven and action oriented research
- Education that empowers
- Community without limits
- Local commitment on a global scale

### 2. Objectives

- Embracing complexity
- Expanding and sharing knowledge
- Unleashing potential
- Transforming learning, widening access

### 3. Enables

- Culture and community
- Digital and physical infrastructure
- Financial autonomy
- Agile and Aligned structures and processes

### 4. Principles

- Inclusion
- Environmental sustainability
- Collaboration
- Internationalism

## 훈련결과보고서

< 훈련결과보고서 요약서 >

성명	홍정우	직급	서기관
훈련국	영국	훈련기관	'22.9.10.~'24.7.9.
훈련기관	University of York	보고서 매수	118매
훈련과제	포스트코로나 시대 전략적 정책관리 방안 연구		
보고서 제목	Public policy management strategy in a post-covid era: a case study on policy withdrawal of the 2022 UK mini-budget		
내용요약	<ul style="list-style-type: none"> <li>□ 본 연구는 사회적 갈등이 격화하는 포스트코로나 시대에 정부가 정책을 어떻게 전략적으로 관리해 나가야 하는지에 답하기 위하여 정책철회의 사례인 영국의 미니버짓을 연구함으로써 정책입안자에게 유익한 정책제언을 제공하고자 하였음</li> <li>□ 정책철회는 정책입안자가 이미 공식화된 정책을 정책 합법화 또는 집행 이전에 반전시키는 의사 결정을 말함             <ul style="list-style-type: none"> <li>○ 정책철회의 변수로는 정책공식화 단계에서 집권 세력의 관념을 들 수 있고, 정책반전 단계에서 새로운 관념의 힘과 기존 관념의 힘 사이의 경쟁을 들 수 있으며 이러한 관념의 힘에는 관념 자체의 힘, 관념의 제도적 힘, 관념의 집단적 힘이 있음</li> </ul> </li> <li>□ 본 에세이는 사례연구를 통해, 트러스 총리의 새로운 관념이 미니버짓의 공식화에 영향을 미쳤고, 새로운 관념과 기존의 관념 간의 경쟁에서 새로운 관념</li> </ul>		

	<p>자체의 힘이 기존 관념의 그것에 미치지 못하고 새로운 관념의 제도적 힘이 기존 관념의 그것에 미치지 못했으며 새로운 관념의 집단적 힘이 기존 관념의 그것에 미치지 못하면서 이것이 미니버젯의 반전에 영향을 미쳤다는 가설을 증명하였음</p> <ul style="list-style-type: none"> <li>□ 정책철회의 원인과 관련, 정책의 공식화는 제한된 대중적 지지 속에서 몇몇 집권세력의 정치적 힘에 의해 이뤄지고, 그 반전은 새로운 관념이 기존 관념보다 낮은 매력도를 가지거나 기존 관념이 현 제도에 견고하게 내재화되어 있거나 기존 관념이 새로운 관념보다 우월한 집단적 힘을 지닌 경우에 이뤄질 가능성이 높음</li> <li>□ 정책변화는 관념적 힘을 동반하지 않는 경우 원래의 상태로 되돌려질 가능성이 높고, 정책변화를 설명할 때 외생변수에만 의존하기보다는 관념의 힘을 중심으로 다양한 변수를 종합적으로 고려하여야 하며, 정책변화의 연구는 새로운 정책뿐만 아니라 기존의 정책에 대해서도 충분히 이뤄져야 함</li> <li>□ 따라서 정부는, 특히 포스트코로나 시대를 맞이하여, 정책을 공식화하는 것에 그치지 않고 이것이 실현, 즉 합법화, 집행까지 이어지도록 하는 데 필요한 관념적 힘을 충분히 구비해야 함 <ul style="list-style-type: none"> <li>○ 이를 위해 정책설계는 합리적 지식과 적절한 믿음에 기초하면서 사회의 근본적 가정과 일맥상통해야 하고, 제도의 혁신은 종합적으로 이뤄져야 하며, 전략적인 옹호연합 구축을 위해 노력하여야 함</li> </ul> </li> </ul>
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**Public policy management strategy  
in a post-covid era:  
a case study on policy withdrawal  
of the 2022 UK mini-budget**

**University of York  
Department of Politics  
MA in Public Administration with Professional Placement**

**Jungwoo Hong**

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## **Abstract**

This study attempts to investigate how a government strategically manages public policy in a post-covid era by theorising policy withdrawal and analysing its case, the 2022 UK mini-budget. The literature about public policy postulates that a policy, once formulated, is to be implemented. However, policies are withdrawn at times, as with the 2022 UK mini-budget which was controversially formulated, mainly due to its massive tax cuts, and eventually reversed within a month. This essay defines policy withdrawal as the decision by policymakers to reverse a previously formulated policy before policy legitimation or implementation. It draws on recent developments in the ideational scholarship so as to suggest variables in policy withdrawal: first, the ideas of the powerful in policy formulation; second, the competition between the powers of the ideas in/until policy reversal that are categorised into the powers of ideas per se, the institutional powers of ideas, and the coalitional powers of ideas. As such, this study finds that the Budget was formulated by the Prime Minister's new ideas but reversed as a consequence of the competition between the powers of the new ideas and the existing ones, with the former being dominated by the latter. This finding is generalised in the discussion chapter, concluding that policy withdrawal is triggered by new ideas of the powerful and finished by the existing ideas' triumph over the new ones in the ideational competition. In short, a new policy, without its ideational power, is likely to be withdrawn and, thus, policymakers need to develop the ideational power sufficient to realise, not only formulate, their policy ideas.

## **Chapter 1. Introduction**

The covid-19 pandemic had an enormous impacts on politics, in particular public policy and its surrounding environments. It incurred significant economic disruption, such as strict physical distancing, business closures, and reduced economic activity, which resulted in declining tax revenues and increased government spending. The unprecedented scale of government intervention has raised concerns about fiscal sustainability in the public sector, leading to intensified austerity measures from around the world. Moreover, the unequal impact of the crisis has exacerbated social inequalities and divisions within society. The vulnerable, such as low-income workers and marginalised communities, bore the brunt of the economic and health consequences of the pandemic. As a result, governments have increasingly faced considerable opposition and criticism over their pet policies, compelled to go through tremendous political turmoil and strike a balance between competing priorities to address the needs of citizens effectively. This study aims to investigate the way in which a government strategically manages public policy in this chaotic era. To do so, it delves into a case of policy failure, as a fruitful lesson, which was formulated but eventually reversed as a result of government incompetency amid political turbulence and social conflict.

Firstly, it should be noted that policies are withdrawn at times. This is a simple fact as a matter of course, but surprisingly there has been little research in this field. Theories of the policy process postulate that a policy, once formulated, is to be implemented. However, the process works backwards in some cases,

with formulated policies being reversed. Herein, a policy, albeit formulated, is not to be implemented, which cannot be explained by the existing literature. Moreover, most of those policies are likely to gain a high profile since the competition between pros and cons is particularly fierce and, if realised, they would have a huge impact on society. Thus, policy withdrawal richly deserves more scholarly attention. This is the background of this study, so my primary purpose is to investigate what policy withdrawal is, which variables exist around it, how those variables influence it, what this study implies for policy change, and what lessons practitioners can draw from it.

In order to address these issues, I believe an in-depth study on a policy case can be a good starting point. This essay takes a close look at a withdrawn policy that swept British society from September to October 2022. It is The growth plan 2022, commonly known as the 2022 UK mini-budget, which was withdrawn within a month after its birth. On 23 September 2022, Chancellor Kwasi Kwarteng delivered this plan containing massive tax cuts mostly funded by government borrowing (Treasury, 2022a). Following this announcement, financial markets abruptly went into a tailspin, such as skyrocketing government bond yields and a plunging pound. In less than a month, widespread criticism led to the reversal of most policy decisions, including the tax reduction, and eventually Prime Minister (PM) Liz Truss resigned on 20 October 2022 (Sugden, 2022). In turn, her ambitious plan contributed nothing to the country but economic damage, political turmoil, and social conflict, fecklessly fading into history. Why did the Truss government press ahead with the Budget in defiance of political and popular

opposition and, before long, what forced the PM to capitulate in the end and rescind the plan? These queries are exactly about the aforementioned issues of policy withdrawal. Hence, research questions of this case study can be encapsulated as follows: what factors influenced the Budget to be formulated and reversed?

However, this essay is not an entirely novel work. Rather, it is close to an edit of various theories about public policy. For policy withdrawal is a particular type of policy change, consisting of policy formulation and reversal. In particular, this study draws on recent developments in scholarship about the role of ideas in institutional and policy changes. Ideas, among others, have been brought back into the academic spotlight, mainly since Hall's seminal article in 1993, "Policy paradigms, social learning, and the state: the case of economic policymaking in Britain". The greatest advantage of the ideational research may be its power of explication about change and persistence (Berman, 2013). Numerous studies have revealed that ideas induce changes in some cases and constrain them in others, interplaying with other variables from institutions to agents. As such, the ideational approach has the potential to overcome the limitations of the existing literature, such as the institutionalism, as shall be explained later. Additionally, the ideational perspective may be particularly appropriate for researching policy withdrawal that exhibits an ambivalent characteristic: it is about an ironic situation in which a policy changed but has not changed after all. Therefore, it needs to be examined from an academic standpoint which can scrutinise both change and stasis—the ideational perspective.

In short, the purpose of this study is to identify what factors,

centring on ideas, influenced the 2022 UK mini-budget to be formulated but mostly reversed in the end. It thereby shows that a new policy, without its ideational power, is likely to be withdrawn, as with the case of the Budget. In other words, policy formulation, predicated on new ideas of the powerful, would be withdrawn unless the power of those ideas dominates that of the existing ideas. To begin, this essay will critically review the literature about public policy from an ideational approach, discussing the causal power of ideas that are intertwined with other factors. Subsequently, I will attempt to define policy withdrawal and suggest variables in it: first, the ideas of the powerful in policy formulation; second, the competition between the powers of the ideas in/until policy reversal that are categorised into the powers of ideas per se, the institutional powers of ideas, and the coalitional powers of ideas. Following this, this essay will put forward hypotheses that will be tested hereafter and explain its research method as a qualitative case study. It then analyses the case on the basis of foregoing theories about policy withdrawal, confirming the proposed hypotheses: the Budget was formulated by the PM's new ideas, but eventually reversed as a consequence of the competition between the powers of the new ideas and the existing ones, with the former being dominated by the latter. In the next chapter, I will discuss the causes for policy withdrawal, generalising the findings of the case study, and ponder implications for studies on policy change in general. Lastly, this essay will provide some policy recommendations for practitioners.

## **Chapter 2. Literature review and theorising policy withdrawal**

### **1. Literature review**

#### **1.1 Literature about public policy: overview**

It is conventional to categorise the mainstream of modern political science into three perspectives: behaviouralism, rational choice theory, and the new institutionalism (Hay, 2002). First, behaviouralism, in essence, discovers the regularities of political behaviour, employing scientific and quantitative methodologies (Hamati-Ataya, 2018). This perspective, thus, takes an inductive approach to identifying causal relationships between political outcomes and inputs, such as pressures from interest groups (e.g., Dahl, 1961; Easton, 1953; Truman, 1951). Second, rational choice theory assumes that individuals seek to maximise utility in accord with the rational preferences (Ainsworth, 2020), which is not exception for political actors (e.g., Niskanen, 1971; Buchanan and Tullock, 1962; Downs, 1957).<sup>1)</sup> Third, the new institutionalism illuminates the power of institutions which shapes political interaction varying in nations, criticising the ahistorical and cross-national approach of behaviouralism and rational choice theory (Thelen and Steinmo, 1992). Hall and Taylor (1996) suggest three strands of it as historical institutionalism (e.g., Steinmo, Thelen, and Longstreth, 1992), rational choice institutionalism (e.g., North, 1990), and sociological institutionalism (e.g., March and Olsen, 1989).

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1) However, individual rationality does not always result in collective rationality (e.g., Hardin, 1968), which is the core subject of rational choice institutionalism (Hall and Talyor, 1996).

Much of this literature, for sure, involves studies on public policy.<sup>2)</sup> That being said, following in-depth studies further contributed to the state of the art in the research field of public policy. Firstly, classic works focused on investigating public decision-making in policy process (John, 2018). For example, Lasswell (1956) put forward the seven categories of (rational) decision process, followed by the criticisms of incrementalist models (e.g., Wildavsky, 1975; Lindblom, 1959). More comprehensively, Allison (1971) identifies the three conceptual models of decision-makers as rational actor model, organisational process model, and governmental politics model. Based on these foundational works, the integrative theories set out to explain policy change and stability (John, 1998). Kingdon (1984) put forward the Multiple Streams Framework (MSF), which suggests that policymaking may occur if three streams—problems, policy, and political stream—are coupled, with a policy window opening. The Advocacy Coalition Framework (ACF), established by Sabatier (1988), explicates policy change as a consequence of the competition between advocacy coalitions who strive to translate their beliefs into policies. Baumgartner and Jones (1993) develop the Punctuated Equilibrium Theory (PET), accounting for rapid changes in policy as well as long periods of stability. Overall, these synthetic models commonly note the interplay between multiple factors, from institutions, ideas, interests, agents, to external environments (John, 2018; Cairney, 2011).

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2) For example, Dahl (1961) inquires into a redevelopment program in New Haven; Niskanen (1971) into public services supplied by bureaus; and Hall (1992) into British economic policies in the 1970s.

## 1.2 Critical review: an ideational approach

**Ideational turn.** Over the last three decades, there has been an “ideational turn” in political science (Blyth, 1997) to better elucidate change and persistence in the political (Berman, 2013; Blyth, 2002). The general logic of existing literature, particularly of historical institutionalism and policy change models, can be summarised as “policy equilibrium → punctuation → new policy equilibrium” (Blyth, 2001, p.3; Baumgartner and Jones, 1993; Krasner, 1984). This logic posits sticky institutions that constrain, rather than enable, policy decisions, which may have no choice but to resort to exogenous factors (i.e., punctuations) to describe changes (Carstensen, 2011a; Blyth, 1997). A burgeoning literature thereafter has turned to the role of ideas, such as ideologies, economic theories, and social construction of imperatives, not only in restraining but also in facilitating institutional or policy changes<sup>3)</sup> (Beland, 2009; Schmidt, 2008; Campbell, 2004; Blyth, 2002; Lieberman, 2002; Cox, 2001; Berman, 1998; McNamara, 1998; Goldstein and Keohane, 1993; Hall, 1993; North, 1990; Weir and Skocpol, 1985). For example, Hall (1993) advocated a social learning perspective, borrowing Hecló’s (1974) “[g]overnments not only ‘power’ ... they also puzzle” (as cited in Hall, 1993, p.275), and highlighted the role of ideas in policymaking.

**Definition of ideas.** Then what are ideas? Researchers

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3) It is the case that the synthetic theories about public policy also noted the role of ideas: for example, Kingdon (1984) explores how “an idea’s time come”, showing how a policy idea develops into an agenda and a policy decision. Nevertheless, those models, to some extent, depend on external variables to explain (radical) changes, such as focusing events (Kingdon, 1984), changes in systematic governing coalition (Sabatier, 1988), and shifts in macro-politics (Baumgartner and Jones, 1993).

attempt to grasp the multifaceted concept of ideas in various ways. Goldstein and Keohane (1993) view ideas as world views, principled beliefs, and causal beliefs. Campbell (2004) categorises them into programs, paradigms, frames, and public sentiments. Similarly, Schmidt (2008) defines ideas as policies, programmes, and public philosophies while Mehta (2011) terms them as policy solutions, problem definitions, and public philosophies or zeitgeist. Berman (2013) compares different types of ideas—beliefs, norms, culture, and ideology—whereas Beland and Cox (2011) succinctly explain ideas as “causal beliefs” (p.3). More synthetically, Parsons (2002) defines them as “subjective claims about descriptions of the world, causal relationships, or the normative legitimacy of certain actions” (p.48). In sum, this essay defines ideas as causal, normative beliefs and/or underlying assumptions in society.

**Ideas and others.** How can we understand the relationships between ideas and other factors, such as institutions, actors, and interests? First, ideas vs. structure/institutions. Ideas serve as “cognitive filters” through which actors interpret surrounding environments on the one hand, while those environments, such as institutional arrangements, were previously constructed by the existing ideas, as “codified systems of ideas”, on the other (Hay, 2008, p.60-5; Berman, 2013). Blyth (2001) articulates this role of ideas as “blueprints” (for institutional design), “weapons” (for institutional contestation), and “cognitive locks” (for institutional reinforcement) (pp.2-5). That is, ideas enable to restructure institutional arrangement; but once institutionalised, they restrain new institutional reform. Thus, institutions are simultaneously “structures” that constrain how actors think, speak, and act and

“constructs” that are created by actors’ thoughts, words, and actions (Schmidt, 2008, p.314).

Second, ideas vs. actors. Actors cannot construe the outside world and act reasonably (not necessarily rationally) without ideas; but at the same time, ideas do not emerge without their carriers or believers (Berman, 2013; Carstensen, 2011b; Beland, 2009; Hay, 2008; Campbell, 2004). Actors herein encompass diverse participants in the public sphere, from politicians, bureaucrats, media, businesses, knowledge-regime organisations (e.g., think tanks), to constituents (Campbell and Pedersen, 2015; Schmidt, 2008; Campbell, 2004; Stone and Denham, 2004). Although ideas, particularly when institutionalised, have a great impact on political behaviours and outcomes, this does not necessarily result in the internalisation of ideas in which the institutionalised ideas are the only game in town at least until a critical exogenous shock (Carstensen, 2011b). Rather, actors may pragmatically combine bits and pieces of different ideas to enable changes for their political preferences, as “the bricoleurs” (ibid.). Indeed, ideas give political power to actors that can strategically affect other participants’ behaviours and political outcomes (Carstensen and Schmidt, 2016): for example, “policy entrepreneurs” take advantage of the ideational power to bring their policy issues to the fore (Kingdon, 1984). In this sense, ideas may straddle the line between structuralism (structure) and intentionalism (agency) (Berman, 2013; Hay, 2002).

Third, ideas vs. interests. Interests invariably affect human conduct, but ideas may determine the range of material possibilities, as Weber (1948) analogised with “switchmen”.<sup>4</sup> In

truth, the concept of interest presupposes “cognates of interest, such as wants, beliefs, and desires”—that is, ideas (Blyth, 2002, p.29). The ideational scholarship, in this sense, deems material interests as not objectively given, but subjectively constructed (Hay, 2011; Hay, 2008; Schmidt, 2008; Campbell, 2004; Blyth, 2002). Hence, interests should be understood as the construction, not a priori. This does not mean that, as some researchers claim (e.g., Goldstein and Keohane, 1993), ideas are auxiliary, that is, “filler” to interests (Blyth, 1997, p.229). Rather, it may be that “[i]nterests do not exist, but constructions of interests do” (Hay, 2011, p.79).

**Causal power of ideas.** How do ideas affect policy change? The causal mechanism of ideas is probably still a contested research area. Beland (2009) suggests three ideational processes: by constructing the problems; by providing socio-economic assumptions (e.g., policy paradigms); and by becoming ideological weapons. A more sequential approach of Blyth (2002) proposes five causal effects of ideas: uncertainty reduction, coalition building, institutional contestation, institutional construction, and expectational coordination. Carstensen and Schmidt (2016) conceptualise this political influence of ideas as “ideational power” that consists of power through ideas (persuasion), power over ideas (imposition), and power in ideas (institutional/structural context).

Overall, it is important to identify ideational power that influences policy outcomes, considering the interplay between ideas and other factors. Policy, more generally the political, is all about

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4) Weber (1948) stated, “very frequently the ‘world images’ that have been created by ‘ideas’ have, like switchmen, determined the tracks along which action has been pushed by the dynamic of interests” (p.280).

(asymmetric) power between humans. People make sense of problems, build institutions, and develop policies to solve them, thereby constructing their environments (intentionally or unintentionally), the whole process of which is irredeemably mediated by a certain signpost—ideas. This ideational power can be disentangled into three strands as follows: the power of ideas per se, the institutional power of ideas, and the coalitional power of ideas. Firstly, the potential power of ideas per se may depend on their causal and normative attractiveness in the public arena (Berman, 2013). In the same vein, Cox and Beland (2013) define the “valence” of an idea as “an emotional quality ... that can be either positive or negative in its character, or high or low in its intensity” (p.308). In addition, ideas can be empowered by being deeply rooted in society through institutionalisation over time (Berman, 2013; Bleich, 2002; Blyth, 2001). Moreover, ideas are increasingly strengthened as they are promoted by diverse powerful actors involved (Carstensen, 2011a; Beland, 2010). In some cases, a particular idea achieves its prominence, relatively readily but vulnerably, if championed by a few powerful carriers such as high elected officials, often with little public support (Parsons, 2016; Berman, 2013; Beland, 2009). These elements of ideational power shall be discussed in more detail in the following chapter.

## **2. Theorising policy withdrawal**

### **2.1 Concept of policy withdrawal and research necessity**

Policy withdrawal refers to the decision by policymakers to reverse a previously formulated policy before policy legitimation or implementation. That is, it is about a situation in which policymakers abandon their policy that is already announced to the public. Policy withdrawal, as a form of dynamic policy change, consists of the two stages: policy formulation and policy reversal. The former is often triggered by the decisive action of the powerful (e.g., new administration), which is followed by the political conflict between the establishment and the reformist, resulting in the latter.

Policy withdrawal is akin to but distinct from policy reversal (Lowry, 2005; Hood, 1994), policy termination (deLeon, 1978; Bardach, 1976), or policy feedback (Beland, Campbell and Weaver, 2022; Campbell, 2012) which commonly occur after the implementation. It is also distinguished from policy failure (Compton and 't Hart, 2019; McConnell, 2010) which mainly focuses on whether a policy has achieved its intended goal. The most fundamental difference between policy withdrawal and above similar terms may be that "policy" in policy withdrawal is more of a set of ideas, publicly formulated but not legitimated or implemented, while it is, in other terms, close to a set of actions by a government. In turn, this reveals that there has not been thorough academic research in policy withdrawal.

It is obviously contradicted with the traditional models about

policy cycle—so called “stages heuristic” (Jenkins-smith and Sabatier, 1993, p.1). The integrative theories about policy change, including MSF, ACF, and PET, have not taken into account cases that policy changes, once formulated, can be completely reversed before implementation. This may be because there has been little academic interest in the dynamics between policy formulation and implementation in which a formulated policy, at times, cannot make progress due to the strong resistance of the status quo, thereby resulting in an anomaly—policy withdrawal.

Then what is the necessity for researching policy withdrawal? First, identifying factors in policy withdrawal may help investigate sufficient, as well as necessary, conditions of policy change. Since it is composed of dynamic bilateral policy changes (i.e., policy challenge and frustration), analysing policy withdrawal will demonstrate not only what enables policy formulation but also what lacks, eventually leading to its cancellation. Second, research in it resolves a selection bias by providing an example of “observable unchanging”. Scholars tend to analyse successful policy changes and hence fail to explore what hinders changes unless one can observe any change (Cox and Beland, 2013; Schmidt, 2008). Third, studying policy withdrawal may fill lacunae in the literature that attributes the causes for policy change to exogenous factors. Since it occurs in a very short period (i.e., without any significant structural changes), students need not depend on exogenous punctuations, such as crises and focusing events, to delineate policy change. Fourth, it reaffirms the importance of scrutinising challenged policies as well as challenging ones. Analysing withdrawn policies, researchers necessarily examine the political contestation between

old and new. This is contrary to not a few studies that are biased to the latter in unrealistic vacuum of existing policies. Fifth, research in policy withdrawal can provide salutary lessons for practitioners. It generates considerable social conflict without yielding any positive societal impact.

## 2.2 Variables in policy withdrawal

Policy withdrawal can be understood as the political competition or power game between two sides, with the existing ideas eventually regaining triumph after appearing to be defeated by new ideas. This "ideational struggle" aims to obtain public resonance as to which ideas should dominate policy discourse (Carstensen, 2011a, p.605). The result of the ideational battle, that is, the likelihood of policy change, may be dependent on the defending power of the status quo and the ripple effect of rival ideas (Baumgartner, 2013).

What are the variables in policy withdrawal? First, the ideas of the powerful in policy formulation. Even if some ideas do not gain influence of their own, they do so, with their carriers obtaining political authority by, for example, an election that assigns a wide range of powers to the winner notwithstanding its relatively limited electoral issues (Parsons, 2016). This influence stems from the power of the institutional position. The incumbent, in the "primeval soup" of ideas (Kingdon, 1984), select a particular idea or come up with new ideas that can, or at least appear to, solve policy problems they confront. Herein, a political leader exploits the legitimate authority to raise her pet agenda onto the table and formulate it into a certain policy. In a democracy, however, if those policy ideas fail to catch on the public, they cannot eschew the ideational struggle as follows.

Second, the competition between the powers of the ideas in/until policy reversal. This "conflict over ideas" is crucial to explain policy change (Peters, Pierre, and King, 2005, p.1295). To begin, the

power of ideas per se matter, which can be likened to the “mass” of ideas. Every idea has gravity (appeal to the public) which is proportional to its mass (attractiveness). A powerful idea can render causal, reasonable definition and solutions to pressing problems and have normative, appropriate arguments that fit into general modes of thinking (Carstensen and Schmidt, 2016; Berman, 2013). Additionally, a more insidious exercise of ideational power is deeper-level, underlying assumptions that are taken-for-granted amongst the populace (Carstensen and Schmidt, 2016; Beland, 2009; Hall, 1993), in line with Lukes’s (1974) third face of power. For example, a certain type of “crisis narration” (Carstensen and Matthijs, 2018, p.432), such as “the virtuous pain after the immoral party”<sup>5)</sup> (Blyth, 2013, p.13), resonates with the public, leading to distinct problem definition and policy development, while others do not (Kingdon, 1984).

In addition, ideas garner power through institutions/institutionalisation. Institutions serve as proxy battlegrounds for ideational struggles. For, as Blyth (2001) notes, existing institutions are, in truth, the products of past ideas. New ideas of the reformist are mobilised to conduct an institutional reform by dislocating the pre-established path and pioneering new paths (Torfing, 1999; Nielsen, Jessop, and Hausner, 1995); yet this pressure of institutionalisation of new ideas can be impeded by the hitherto crystallisation of old ideas (Carstensen and Schmidt, 2016). Policy withdrawal may occur from a situation in which the former has been thwarted by the latter, particularly due to the latter’s self-reinforcing process, that is, “the formation and long-term

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5) This was a political rhetoric of austerity after the Global Financial Crisis.

reproduction of a given institutional pattern" (Mahoney, 2000, p.508; Pierson, 2000). Institutionalists have largely labelled the former as "path-shaping" process and the latter as "path-dependent". However, this tug-of-war does not necessarily mean all or nothing (i.e., change or fixity). Rather, most cases of dis- and re-location of institutions are likely to occur as selective reconfiguration; that is, some ideas and institutions survive and entrench themselves while others do not (Torfing, 1999; Hall, 1992; Weir, 1992; Jessop, 1990). Of particular importance, here, may be the power of "ideational path dependency" which refers to the extent to which the reigning ideas are not only institutionally but also cognitively locked against institutional reform or policy innovation (Hay, 2008, p.65, Campbell, 2004; Blyth, 2001; Berman, 1998).

Lastly, the old and new ideas respectively acquire power through coalitions. Ideas would, by themselves, seldom achieve policy innovation without advocacy (Sabatier and Jenkins-Smith, 1993; Majone, 1989; Sabatier, 1988). In this context, ideas serve as "coalition magnets"—the capacity "to appeal to a diversity of individuals and groups, and to be used strategically by policy entrepreneurs ... to frame interests, mobilize supporters and build coalitions" (Beland and Cox, 2016, p.429). Once formed, each coalition may go through the process of "expansive reproduction" for itself, attracting more and more supporters and those who are relevant (e.g., experts, researchers). Core actors advocate their pet ideas, employing their "background ideational abilities" and "foreground discursive abilities", and attempt to convince others that those ideas are in their interests in order to build a more powerful coalition than their rivals do (Carstensen, 2011a; Beland,

2010; Schmidt, 2008, p.314).

To sum up, identifying what causes policy withdrawal involves (1) the ideas of the powerful in policy formulation and (2) the competition between the powers of the ideas in/until policy reversal that consists of (2.1) the powers of the ideas per se, (2.2) the institutional powers of the ideas, and (2.3) the coalitional powers of the ideas.

## Chapter 3. Research hypotheses and method

### 1. Research hypotheses

The main purpose of this study is to test the aforementioned research questions about the 2022 UK mini-budget. Again, the major question guiding this essay is to identify what factors influenced the Budget to be withdrawn. The two research questions are as follows:

- Q1. What factors influenced the Budget to be formulated?
- Q2. What factors influenced the Budget to be reversed?

In order to investigate causes for formulating and reversing the Budget, I will analyse the case from an ideational approach, drawing on the literature about ideas and the foregoing theory of policy withdrawal. In other words, this essay attempts to dissect the elements of ideational power relating to the Budget's withdrawal. Firstly, the formulation of the Budget may have been associated with Truss's new ideas at the expense of popular opposition. Secondly, the reversal of it may have resulted from the power struggle between the new and old ideas: that is, this may have been a function of the powers of ideas per se, the institutional powers of ideas, and the coalitional powers of ideas. In sum, the following hypotheses will be tested in this study: <sup>6)</sup>

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6) This essay tests H1, H2.1, H2.2, and H2.3 under the following assumption: if H2.1, H2.2, and H2.3 are proved, this confirms H2.

- H1. The formulation of the Budget was influenced by the PM's new ideas.
  
- H2. The reversal of the Budget was influenced by the competition between the powers of the new ideas and the existing ones, with the latter dominating the former.
  - ◆ H2.1. The power of the new ideas per se was dominated by that of the existing ones, contributing to the reversal of the Budget.
  
  - ◆ H2.2. The institutional power of the new ideas was dominated by that of the existing ones, contributing to the reversal of the Budget.
  
  - ◆ H2.3. The coalitional power of the new ideas was dominated by that of the existing ones, contributing to the reversal of the Budget.

## **2. Methodology: case study**

This essay will carry out a qualitative case study in order to scrutinise the causal mechanisms of ideas, institutions, coalitions, and other relevant variables, based on various data. Research in policy withdrawal, as with public policy in general, may need to be carried out from multiple angles, rather than calculating the correlation between two measurable variables, due to its inherent complexity (Greenberg et al., 1977). In particular, an ideational perspective concentrates on meanings, beliefs, norms, narratives, and languages that could be perhaps obscured by a quantitative analysis. Hence, this essay digs into a single holistic case to identify the relationships between closely intertwined variables surrounding the policy. Considering the lacking literature as stated above, this single case study might be a good starting point of research in policy withdrawal.

In this sense, the 2022 UK mini-budget can be a suitable case. Despite its very short period of lifespan, the Budget intensively contained diverse aspects relating to policy withdrawal. The PM's determination, shortly after her inauguration in September 2022, pushed through the controversial policy, but the fierce political contestation in UK democracy, overarching various institutions and coalitions, eventually reversed it within a month. This short, dense process of dynamic policy change encapsulated core elements of policy withdrawal. However, this study delimits the research scope as the key process and contents of the Budget. It does not take an in-depth look at public finance issues, such as budgetary processes, principles of taxation, economic effects of

taxes and government expenditure, and so forth. In addition, I have not been able to find a comprehensive study on this policy case, which provides one of backgrounds to this essay.

This study employs a qualitative method of data collection and analysis that helps identify not only explicit but also implicit variables in withdrawing the Budget. I have collected a wide range of data from multiple sources as follows: the UK government documents, news, and statistics from the official websites (e.g., <https://www.gov.uk>, <https://ons.gov.uk>), published books and articles from academic journals (e.g., *Journal of European Public Policy*, *Comparative Politics*), reports from research institutes and not-for-profit organisations (e.g., the Institute for Fiscal Studies, Resolution Foundation), media reports (e.g., BBC, Guardian), and so on. In particular, while testing Hypothesis 1 as explained below, this essay compares the word frequency of the following: Chancellor Kwarteng's speech about the Budget, PM Truss's five speeches about domestic policies, and her five former PM's first speeches on 10 Downing Street.

## **Chapter 4. Case analysis: the 2022 UK mini-budget**

### **1. Overview**

The three main pillars of The growth plan 2022 were as the following: reducing taxes, tackling energy price hikes, and reforming the supply side of economy (Treasury, 2022a). Notwithstanding its other name, mini-budget, it was an enormous change in British economic policy. Chancellor Kwarteng strongly asserted that this would promote economic growth and reproduce past glories of Britain (GOV.UK, 2022a). To sum up, firstly, it contained a massive tax reduction, from Income Tax, Corporation Tax, Stamp Duty Land Tax, to National Insurance contribution, which would be mostly financed by government borrowing; secondly, it involved temporary government subsidies on energy prices for households and businesses; thirdly, the Chancellor announced undetailed plans for supply-side reforms and tax simplification (Treasury, 2022a).

In particular, the size of the tax cuts was estimated at £45 billion by the fifth year, which was the largest at a single fiscal event in the UK since 1972 (Bell et al., 2022; Treasury, 2022a). The problem was that it would be funded by considerable government borrowing unless the British economy grows incredibly dramatically. The Budget would compel the government to borrow £130 billion in 2022-23 alone and, over the next five years, £411 billion more than previously estimated (Bell et al., 2022). According to the Institute for Fiscal Studies (Stockton, 2022), an independent research institute, the level of public debt would increase on an unsustainable path, amounting over 95 per cent of GDP by

2026-27. After all, this controversial policy brought the UK society into a bitter conflict between the pros (the side of the PM's new ideas) and cons (the side of the existing ideas).

## **2. Ideas of the Truss administration: testing H1**

To begin, the formulation of the Budget was closely associated with the PM's new ideas. The word frequency is an observable, explanatory variable in discerning what Truss's ideas were, what ideas were conveyed by the Budget, and whether the Budget reflected her ideas or not. As shown in Table 1, frequent words in Truss's speeches are analogous to those of the Chancellor's utterance on the Budget, with both having several key words in common: for instance, "energy", "economy", "growth", "businesses", "investment", and so on. In contrast, Table 1 shows that the Budget and the former PM's speeches merely share politically common words, such as "new", "people", and "country", which are distinguished from Truss's favourite words. Overall, the policy may have effectively reflected Truss's ideas, not general thinking of British PMs.

Table 1. Most frequent words in Truss's speeches, Chancellor Kwarteng's speech on the Budget, and the five former PMs' first speeches

	Truss	the Budget	Former PMs
1	country	tax	government
2	<i>energy</i>	<i>business(es)</i>	country
3	people	<i>growth</i>	people
4	get	<i>energy</i>	new
5	<i>economy</i>	new	now
6	<i>growth</i>	people	Britain
7	want	country	change
8	<i>business(es)</i>	pay	one
9	<i>investment</i>	today	work
10	sure	duty	values
11	time	<i>economy</i>	British
12	deliver	work	world
13	economic	year	ready
14	make	cut	today
15	need	government	want
16	bills	<i>investment</i>	believe
17	Britain	need	going
18	new	rate	job
19	now	support	need
20	tax	cost	time
...			

Note: (1) common words (e.g., a, the, can) and letter case ignored; (2) words with the same frequency arranged in alphabetical order; (3) Truss's speeches include the five statements as PM about domestic policies on 06/09/22, 21/09/22, 14/10/22, 20/10/22, and 25/10/22; (4) The five former PM's first speeches refer to the initial statements respectively delivered by Boris Johnson (on 24/07/19), Theresa May (on 13/07/16), David Cameron (on 11/05/10), Gordon Brown (on 27/07/07), and Tony Blair (on 02/05/97).

Source: British Political Speech (n.d.), GOV.UK (n.d.)

### **3. Competition between the new ideas and the existing ones: testing H2**

#### **3.1 Between the powers of the ideas per se: testing H2.1**

##### **Causal beliefs: low growth vs. cost-of-living crisis**

Problem definition, as suggested in multiple studies, determines the way in which policymakers approach to solving social ills; and at the core of problem definition are causal beliefs (Baumgartner and Jones, 1993; Majone, 1989; Stone, 1989; Kingdon, 1984). The Truss government pointed out “low growth” as a malaise of the UK’s economy but failed to secure a triumph against the existing ideas that concentrated on a “cost-of-living crisis” itself.

**New ideas: low growth.** The PM diagnosed a central problem of the UK’s economy as “low growth” (Magnus, 2022; Sandford, 2022). Kwarteng accused this of being the main culprit that “has made it harder to pay for public services, requiring taxes to rise” (GOV.UK, 2022a, p.4). For the British growth rate, according to official data (ONS, 2022a), averaged 1.8 per cent from 2000 to 2019, approximately 1 percentage point lower than in the previous two decades. In this stagnation, raging inflation indicates stagflation. Following the oil shocks in the 1970s, supply-side economics emerged as an alternative to Keynesianism to tackle the wicked combination of high inflation and low growth (Bartlett, 2009; Bruno and Sachs, 1985). The majority of supply-siders (e.g., Laffer, 1981) believed that tax reduction could stimulate growth, reduce inflation, and even increase tax receipts by boosting employment and

investment (Feldstein, 1986). This view, around a half century after its birth, may have provided the Truss government with a theoretical background. Treasury (2022a) expected that the huge tax cut would not only achieve a growth target of 2.5 per cent but also raise tax revenue by £47 billion. In a nutshell, Truss's "new perception" of the British economy (Fligstein, 1991, p.317) served as a point of departure.

**Existing ideas: cost-of-living crisis.** However, the putative existing ideas focused on dealing with a cost-of-living crisis rather than expanded the scope of problem into economic growth.<sup>7)</sup> In order to tackle the cost-of-living crisis, the public finance had to be sound and sustainable by, for example, introducing a so-called "windfall tax" on energy companies (HL Deb 26 May 2022) rather than cutting taxes. This belief, in fact, had been strongly held and entrenched by PM Johnson and Chancellor Sunak as an election strategy (The Economist, 2021) and, more fundamentally, a product of an underlying assumption—austerity—as shall be explicated. Then how did these existing beliefs prevail as ever despite Truss's strong assertion? One of the main reasons was a grave doubt as to the effect of The "growth" plan on growth and the Laffer curve.<sup>8)</sup> Abundant research, over the past four decades, has refuted the speculative logic of supply-side economics that tax reduction should promote tax revenue as well as economic growth (Hope and Limberg, 2022; Krugman, 2017; Feldstein, 1986). Thus, her decisive

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7) Chancellor Jeremy Hunt and the successive government, the Sunak administration, scrapped almost all plans, including the tax cuts, of the Budget except the energy bill support for addressing the cost-of-living crisis (GOV.UK, 2022b).

8) The Laffer curve illustrates a relationship between the tax revenue and rates, highlighting that, beyond a certain point, lowering tax rates may have a positive impact on the economic output and tax receipts (Laffer, 1981).

plan was evaluated far from reasonable and sustainable by market participants, rapidly dragging down the prices of government bonds and pounds; and the reigning ideas of them redefined this public debt “increase” as a public debt “crisis” (BBC, 2022; Roubini, 2022; Vail, 2009). Consequently, the new ideas were completely contradictory, and perhaps inferior, to the existing ones that brought the cost-of-living crisis itself into the focal point and underlined the necessity for sound government finance.

### **Normative beliefs: fairness as efficiency/equity vs. equality/equity**

Normative beliefs are about appropriateness of public policy; in other words, they denote ideas about justice, fairness, or rightness of certain policies (Levi, Sacks, and Tyler, 2009; Campbell, 2004; Goldstein and Keohane, 1993). With regard to the Budget, both sides of ideas—new and old—may have formed their own belief structures as to whether and why the Budget was fair or not.

**New ideas: efficiency and equity.** First, the tax reform may have been construed as fair, at least by the policymakers, since it would be perhaps efficient at promoting economic growth. This belief largely echoes welfare economics which, stemmed from utilitarianism, posits that a change is just if it increases aggregate social welfare and if an individual wins enough to offset—compensate for—another’s losses<sup>9)</sup> (Konow, 2003; Samuelson, 1950; Pareto, 1906 [2014]). In this sense, the Truss government attempted deregulation, the cancellation of Corporation Tax increase, and the removal of bankers’ bonus cap to grow the pie of the economy

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9) However, this does not necessarily postulate the compensation to be realised.

and trickle it down (Treasury, 2022a).

Second, the Budget was deemed as equitable. Minford (2022), a renowned British economist, claimed that “[w]e must ... reward the entrepreneurs, the risk-takers and the plain hard workers who drive the economy forward” (p.3). This implies that one’s contribution should be compensated by proportionality (Konow, 2003). According to Nozick (1974), individual rights are of paramount importance, so redistributive taxation is akin to compelling somebody to work for another. On this view, cutting rates or abolishing the additional top rate of Income Tax would reward hardworking people who deserve and, hence, be fair.

**Existing ideas: equality and equity.** From the perspective of the existing ideas, however, the Budget was patently unfair. First, it was fiercely condemned for its inequality. Resolution Foundation (Bell et al., 2022), an independent think-tank, reveals that the Budget would leave the richest 5 per cent significantly better off, the poorest largely unaffected, and most middle-income households worse off by 2025-6. Scholars of equality, such as Rawls (1971), construe justice as equally fulfilling basic human needs particularly of the least advantaged. From this standpoint, an individual in the original position behind “a veil of ignorance” (p.136) does not have any reason to acquiesce in her losses for a greater aggregate welfare (p.14) but may consent to a principle which “all social primary goods ... are to be distributed equally” if any inequalities are not to “the advantage of the least favoured” (p.303). Thus, a just tax reform should benefit the underprivileged, not the rich.

Second, the Budget may have been considered an inequitable, tax reform. Even though one agrees that hard workers should be rewarded more, the progressive tax system can be fair if the current wealth or poverty has been hitherto affected by exogenous factors (e.g., birth, luck) beyond one's control (Konow, 1996; c.f., Buchanan, 1986); and indeed, many Britons have thought so, according to multiple surveys (Hewlett et al., 2022; Fong, 2001). Hence, the legitimacy of the tax reduction may have been further undermined by this interpretation.

### **Underlying assumption: neoliberalism and austerity**

Neoliberalism was the underlying assumption, throughout the ideational struggles over the Budget, which the old and new ideas shared. Since the late 1970s, it has been pervasive in the British politics—and perhaps the world. It may be a multifaceted, elusive concept (Peck, 2010; Steger and Roy, 2010); but, in essence, it is orientated into the market. Foucault (2008) defined it as a new governmentality which, deviated from liberalism or state interventionism, “adopt[s] the free market as organizing and regulating principle of the state” (p.117). This is why the neoliberals have advocated deregulation, privatisation, tax reduction, free trade, and austerity (Peck, Brenner, and Theodore, 2018; Venugopal, 2015; Harvey, 2007).

**New ideas: outdated version of neoliberalism.** What is more noteworthy here is that neoliberalism has mutated, particularly after the 2008 Global Financial Crisis (GFC) (Clark, 2008; Peck and Tickell,

2002). Yet, the new ideas of the Truss government, in fact, may have stalled in the outdated version of neoliberalism. Before 2008, neoliberal regimes used to be rarely associated with fiscal consolidation. Rather, the Keynesian “tax states” were transformed into the “debt states” through neoliberal projects, such as tax reduction, disinflation, and higher unemployment (Streeck, 2017; Blyth, 2013; Streeck, 2013). Similarly, the Truss’s tax cut was expected to be financed by substantial government debt (Bell et al., 2022; Stockton, 2022). Her new ideas were, in fact, old-fashioned neoliberal ideas.

**Existing ideas: austerity.** However, neoliberalism has evolved since 2008 by absorbing and internalising austerity. Austerity, at base, denotes decreasing the structural deficit of government by either increasing taxes more than spending or reducing spending more than taxes (Farnsworth, 2021; Alesina, Favero, and Giavazzi, 2019). Moreover, as a social construction, it connotes ensuring the free market, the delimited state, and the capital order, which involves a set of strategies (e.g., cutting unemployment benefits) for the survival of neoliberalism (Mattei, 2022; Farnsworth, 2021; Farnsworth and Irving, 2018; Blyth, 2013). Since governments bailed out insolvent banks in 2008, ruthless tax cuts have become unsustainable and, at this point, austerity served as a “magical thinking” that turned the GFC into opportunity (Clarke and Newman, 2012). For this strategy could offer multiple advantages to the elites: by dismantling the welfare state unobtrusively through the reconfiguration of government budget (Farnsworth, 2021); by having an expansionary effect (albeit controversial) on economic growth (IMF and ILO, 2010); and by leaving room for another

bailout for financial institutions in the future (Blyth, 2013). Therefore, the existing ideas, predicated on austerity, supposedly had stronger gravity than the Truss's new (but not new at all) ideas.

### 3.2 Between the institutional powers: testing H2.2

Humans gravitate to attractive ideas; but ideas, once realised and concretised into institutions, can have more powerful impact on humans' behaviours and political outcomes (Berman, 2013; Steinmo, 2003; Hall, 1986). Although the Truss government endeavoured to institutionalise their new ideas, the considerable "staying power" of institutions (Thelen, 2003, p.220) that had effectively embedded the existing ideas constrained viable options of the PM.

**New ideas: path-shaping.** The Truss administration proclaimed a permanent tax reform by institutionalising a significant reduction in Income Tax, Corporation Tax, National Insurance Contribution, Stamp Duty Land Tax, and so forth (Treasury, 2022a). Additionally, it attempted to remove the bankers' bonus cap and reform supply-side institutions (albeit without details) by, for example, deregulating and further incentivising investment (ibid.). The Budget also involved temporary subsidies<sup>10)</sup> on energy inflation, such as Energy Price Guarantee for households and Energy Relief Scheme for businesses (ibid.). All these decisions were to leave the existing trajectory, at least in recent decades, of British tax system, public insurance, and regulatory schemes, even though the majority of institutionalising measures centred on the tax reduction.

**Existing ideas: path-dependency.** However, various

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10) It may be claimed that, more strictly, the energy bill support is close to ad hoc measures rather than institutionalisation. However, this essay deems it as a part of institutionalisation in that it involves changes in institutional arrangements, which might also influence certain institutional patterns in the future, and is supposed to be followed by government interventions in energy markets (Treasury, 2022a).

institutional arrangements had already concretised and entrenched the existing ideas—in particular, austerity. Notably, this ideational-institutional constraint selectively militated against the PM's attempts to institutionalise her new ideas: the core institutional reform—tax reduction—was out of the acceptance range while the energy bill support was within. This was because, in short, the tax reform would permanently and significantly undermine austerity, contrary to the one-off energy subsidies. The three main sources of institutional inertia against the tax cuts, based on austerity, may have been as follows. First, the Budget would reduce fiscal revenue year on year, which was too costly a deviation from the British historical path, considering a pile of spending projects facing the government. The tax system of the UK has underpinned relatively stable public finance for several decades, observing year-on-year decreases in tax receipts only during the GFC and coronavirus pandemic since 1948 (ONS, 2022b).

Second, the tax cuts contravened the British fiscal disciplines—the Charter for Budget Responsibility and the Office for Budget Responsibility (OBR). The Charter contains fiscal guidance about “managing sustainable public finances” (Treasury, 2022b, p.3) and fiscal mandate that “public sector net debt ... as a percentage of GDP falling by the third year” (p.4), which should be formally judged by the OBR (p.10). However, the OBR's provisional paper reportedly forecasted a deficit of £60 billion or so and a slowdown in growth, causing tensions between the Chancellor and the OBR (Partington, 2022). Interestingly, this institutional constraint was enacted by the Conservatives in 2011 (BRNA Act, 2011) to limit an anti-austerity budget option in the coming years by tying their

hands (Fearon, 1997; Schelling, 1960).

Third, the tax reduction also contradicted the “institutional complementarities” (Hall and Soskice, 2001, p.17) which may have been commonly austerity-biased. The foremost was the Bank of England (BOE) that has long internalised a belief that central banks should concentrate on curbing inflation even at the expense of unemployment (Blyth, 2013). The problem was that the Budget fuelled inflation by stimulating aggregate demand and causing a sharp devaluation of sterling (Wearden, 2022), which impelled the BOE to raise a benchmark rate more markedly. Additionally, the International Monetary Fund supported the BOE and put a break on it, pronouncing that “fiscal policy does not work at cross purposes to monetary policy” (Taaffe-Maguire, 2022, p.2). Moreover, across the highly opened financial border of the UK (Ito and Chinn, 2022; Chinn and Ito, 2006), global investors could instantaneously leave bond markets and drive up gilt rates, pushing enormous pressure on the government. Overall, these institutions wove an “interdependent web” (North, 1990, p.95) which strongly resisted the tax reform at odds with austerity.

### 3.3 Between the coalitional powers: testing H2.3

Ideas are like “glue’ of politics” (Sabatier, 1988, p.141). Ideas help individuals or groups associate with others who sympathise with them. Key actors among them employ coalition building strategies, such as mobilising supporters and framing interests, to bolster the ideational power (Beland and Cox, 2016; Hansen and King, 2001). In this case, some think tanks and businesses strongly advocated Truss’ new ideas, forming a coherent coalition with her. Yet, the existing ideas may have overwhelmed them by eliciting broader support from a wide range of actors, including the bureaucrats, media, the public, and even Conservative MPs.

**New ideas: coalition on the side of Truss.** A pro-government coalition, from the incumbent, think tanks, to businesses, supported the new ideas with its ideational fellowship about certain “story-lines”, such as the free market as the cure for all (Denham and Garnett, 1998; Hajer, 1997, p.65). First, the PM may have been indebted to right-wing think tanks for their “intellectual resources” (Stone and Garnett, 1998, p.16). The four British think tanks, well-known as New Right think tanks (Denham and Garnett, 1998)—the Institute of Economic Affairs (IEA), the Adam Smith Institute (ASI), the Centre for Policy Studies (CPS), and the Policy Exchange (PE)—did not only provide new policy ideas but also, as “advocacy tanks”, justify normative beliefs with regard to Budget (Stone and Garnett, 1998, pp.17; Weaver, 1989). For instance, Truss participated in founding Free Market Forum, an intellectual project of the IEA (Monbiot, 2022); the ASI and CPS published policy reports that are uncannily similar to The growth plan, such as Pulling out all the

stops (Macdonald, Marlow and Bromley-Davenport, 2022) and A rising tide (King and Ives, 2022), respectively; and she had delivered a speech at the PE in September 2021, announcing a post-Brexit trade strategy (GOV.UK, 2021).

Second, some businesses have financially supported these research institutes for at least several years. Transparify (2017), a not-for-profit organisation, rated all these four institutes as “highly opaque”, among twenty-seven British think tanks in 2017, which “fail to disclose even the names of some or all of their donors” (pp.6-11). Nevertheless, several papers have revealed hidden capital power behind them: for instance, Tobacco Tactics (2022), a research project of the Tobacco Control Research Group, reports that the IEA, ASI, and CPS have been funded by big tobacco companies (e.g., British American Tobacco) for decades. Overall, this triangle between the PM, think tanks, and businesses shows the coalitional power behind the Budget.

#### **Existing ideas: coalition on the side of the establishment.**

However, a wide range of political actors, based on the existing ideas, ousted the coalition of the new ideas. First, the Budget surely confronted a fierce criticism from the Opposition. But it also created a rift within the Conservative party (Forrest, 2022), since the country’s economic turmoil and public outrage seriously worried not a few Conservative MPs, putting the Tory at war with their own past and reputation about sound public finance (The Economist, 2022a). Second, British economic bureaucrats, represented by the Treasury, may have also retarded the new ideas. The Treasury’s existing ideas (reportedly orientated into austerity), their standard

operating procedures, and the econometric model supposedly collided with Truss and Kwarteng who accused the “Treasury orthodoxy” of acting passively and making the economy sluggish (Elliott, 2022; Hall, 1992). Third, the financial markets delivered a harsh verdict on the Budget through a rapid, mass exodus of global capital, skyrocketing gilt rates and plummeting exchange rates, as previously explained.

Fourth, the media and the public formed the most fundamental, insurmountable opposition force against the new coalition. To date, “rhetorical frames” on the existing idea—austerity—has tended to be positive (Schön and Rein, 1994, p.32): for example, it has been symbolised or represented as “responsibility”, “unavoidable”, “soundness”, and “pain after party” (Blyth, 2013; Clarke and Newman, 2012). On the contrary, most headlines of media reports about The growth plan were “gamble”, “budget for the rich”, and “Robin Hood in reverse” (Evening Standard, 2022). This defeat in the imagery war may have inflamed public outrage (Baumgartner and Jones, 1993). According to YouGov (Smith, 2022), 57 per cent of the British thought of the Budget as unfair, the worst rating of any financial statement since 2010. More fundamentally, the Economist (2022b) reported 39 per cent of Britons in the UK agreed, “redistributing money ... is more important than growing the economy” (p.3) whilst 35 per cent disagreed. Whereas the PM repetitively highlighted “growth, growth, and growth” (Sandford, 2022, p.1), Britons may have thought, “growth for what?” Probably, this unsympathetic public mood was the hugest challenge for the coalition of Truss.

#### **4. Summary of finding**

This part summarises the main findings of case analysis with regard to the hypotheses proposed earlier. The bottom line is that the case study confirms all those hypotheses. The withdrawal of the Budget was influenced by the PM's new ideas and the existing ones: it was formulated by the new ideas, but eventually reversed as a consequence of the competition between the powers of the new ideas and the existing ones.

First, the formulation of the Budget was influenced by the PM's new ideas (H1). This was shown in high similarity of most frequent words between Truss's speeches as PM and The growth plan speech by Kwarteng. They commonly reiterated particular words, such as "energy", "economy", "growth", "business(es)", and "investment", which were distinguished from frequent words delivered by former PMs.

Second, the power of the new ideas per se was dominated by that of the existing ones, contributing to the reversal of the Budget (H2.1). The Truss government defined the policy problem as low growth, which was probably less valid and plausible than the existing ideas focusing on the cost-of-living crisis itself. Her putative beliefs were that the tax reduction was fair, that is, efficient and equitable; but it was deemed as highly unequal and inequitable policy by the existing ideas. More fundamentally, Truss's ideas were overwhelmed by the underlying assumption of existing ideas— austerities. After the GFC in 2008, a neoliberal idea in favour of tax cuts had reached the limitation due to its unsustainability, which

thereafter evolved into austerity, a new hegemony of the British politics, while the PM's ideas stalled in the past.

Third, the institutional power of the new ideas was dominated by that of the existing ones, contributing to the reversal of the Budget (H2.2). The Truss administration attempted to institutionalise a permanent tax reduction, the removal of the bankers' bonus cap, deregulation, and energy bill supports. However, all policy decisions, except for ad hoc subsidies on energy prices, were thwarted by the path-dependency of extant institutional arrangements, such as the tax system, the fiscal disciplines, the BOE, the IMF, and highly open capital markets, which multifariously internalised and entrenched austerity.

Fourth, the coalitional power of the new ideas was dominated by that of the existing ones, contributing to the reversal of the Budget (H2.3). The PM, right-wing think tanks, and some businesses created a coherent, pro-government coalition advocating her new ideas. Yet, the existing ideas successfully garnered wider support and formed an overwhelming, anti-government coalition, encompassing not a few Conservative MPs, bureaucrats in the Treasury, media, and the public. In conclusion, the main finding of this study is that the 2022 UK mini-budget was withdrawn as a consequence of the ideational power competition.

## Chapter 5. Discussion and recommendations

### 1. Causes for policy withdrawal: generalisation of finding

**Formulation (regarding H1).** Policy withdrawal is composed of policy formulation and reversal, as postulated earlier. Policy formulation in this context needs a more nuanced approach, considering the likelihood of being reversed before implementation. This essay examined a precarious policy, the 2022 UK mini-budget, founded on the political power of a few high officials, including the PM and Chancellor, and limited public support. For sure, there may be other causes for policy formulation in general, such as pressures from interest groups, focusing events, and isomorphic forces, as abundant literature has suggested (Kingdon, 1984; DiMaggio and Powell, 1983; Richardson and Jordan, 1979). However, factors in formulating a vulnerable policy that might be revoked in the end are supposedly related to rarefied ideas of the powerful, not to widely accepted (or will be so) ideas in the public arena. This is because a representative democracy is under a series of tensions between the entrusted power of the elected and the natural power of the citizens. If a policy was formulated by the former in the absence of latter, this condition predisposes the policy to be embroiled in a political conflict with the extant policy and to be thwarted, as happened in the UK in September and October 2022.

**Reversal: power of ideas per se (regarding H2.1).** This “hegemonic struggle” (Torfing, 1999, p.391) encompasses all political variables centring on ideas. This study does not posit ideas as the unique determinant while denying influences of institutions, actors,

or interests. Rather, it attempts to identify the role of ideas that are intertwined with other factors in the withdrawal of policies. First, new ideas per se with too tenuous power to elicit public resonance are likely to relinquish their hegemony back to the old ideas. This gravitational power depends on the mass of ideas, as previously suggested, which refers to the extent to which certain ideas hold attractiveness and thereby dominate the "discursive conflict" (Wilder and Howlett, 2014, p.183). Then what makes new ideas less attractive than the old ones, contributing to policy withdrawal? As demonstrated in this case study, reforming ideas would be likely to be overturned if the established ones were constituted by more reasonable, appropriate beliefs insofar as commensurate with the worldview in society. In other words, policy withdrawal is attributed to the predominant power of existing ideas which are grounded in (1) causal knowledge that can provide more valid diagnoses and prescriptions to social problems and (2) normative values that are perceived more appropriate by sentient actors, compared to new ideas (Majone, 1989; March and Olsen, 1989; Sabatier, 1988, p.158). Herein, (3) underlying assumptions in society may provide a basic criterion for appraising the validity and fairness of two competing ideas. For example, in September 2022, it was austerity that insidiously played a significant role in defining the UK's debt increase as a debt crisis and the government's role as the management of sound finance.

**Reversal: institutional power of ideas (regarding H2.2).**

Second, the entrenched power of institutions embedding old ideas may increase the likelihood of preventing the institutionalisation of new ideas. Of importance is the extent to which the reforming

ideas are contradictory to the established ideas that are carved into current institutions. The vying ideas compete each other, equipped with their own institutional weapons (Blyth, 2001).<sup>11)</sup> Herein, the existing ideas have first-mover advantages, that is, already settled institutional equipment. However, not all institutionalising attempts confront the inertia of extant institutions; a new idea may be put up resistance only if conflicting with the reigning ideas embedded in current institutions. Regarding the 2022 UK mini-budget, for instance, one-off support for energy bill survived and was absorbed into existing institutions whilst the huge tax cuts were cancelled due to its contradiction to austerity and the ability-to-pay principle of taxation. It may be claimed that path-dependency also occurs without explicit influence of ideas, such as a policy innovation technically contravening certain rules or laws. Yet, in that case, if it were not for ideational discords, the reformist could readily decide to change the very statutory barriers as well as their target policy. Therefore, the institutional power of ideas, not institutions solely, is more crucial.

**Reversal: coalitional power of ideas (regarding H2.3).** Third, the superior power of coalition advocating the existing ideas plays a role in recanting new policy ideas. Ideas are not fixed entities (Carstensen, 2011a); thus, neither is the power of ideas. The more actors involved and the more influential they are, the more powerful the ideas they advocate are. In this case study, the coalition of the reformist was quantitatively and qualitatively inferior to that of the establishment. It goes without saying that the public's negative sentiment against the Budget contributed to the

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11) This is a distinguishing feature from the discursive conflict between ideas per se that is discussed above.

policy to be cancelled. More noteworthy, however, may be the lack of influential supporters who backed up the new ideas. The majority of mass media, financial market participants, and the Treasury were on the side of reigning ideas, such as austerity, the need for progressive taxation, and the importance of financial stability. As describe earlier, the framing of media also had a profound impact on policy images of the Budget and the public mood. Hence, the coalitional power of ideas is not merely about numerical superiority or inferiority. The public discourse "in the pluralist heaven", as Schattschneider (1960) argues, is like "the heavenly chorus ... with a strong upper-class accent" (p.35). If the existing ideas were advocated and disseminated more strategically by more influential actors, the coalitional power of new ideas would become overwhelmed by the existing ones, contributing to policy withdrawal.

## 2. Implications for policy change

This essay endeavoured to theorise policy withdrawal, one of different types of policy change, thereby also drawing up some implications for policy change by and large. First and foremost, policy change involves ideational power, otherwise it is likely to be retracted. The literature of political science and public policy has suggested several factors—structure, institutions, networks, ideas, etc.—as causes for policy change. All these variables may serve as necessary conditions, or INUS conditions,<sup>12)</sup> for policy change: for example, a shift in socio-economic structures (e.g., social inequality, warfare) and institutions (e.g., corporatist arrangements, party system) can lead to a particular agenda setting and policy formulation (Thelen and Steinmo, 1992). However, not all policy innovation remains in place, as shown in this case study. Even though a structural or institutional variable triggered a policy change, the change could be reversed if it were not for an ideational shift.<sup>13)</sup> A small perturbation of ideas may not be sufficient. The ideational shift should be enough to overcome the resisting power of existing ideas as well as to facilitate changes in institutional arrangements and political coalitions. In this regard, ideas can be a sufficient condition for policy change.

Second, an explication of policy change needs not exclusively depend on exogenous factors. The ideational power—the power of

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12) Mackie (1965) defines the INUS condition as "an insufficient but necessary part of a condition which is itself unnecessary but sufficient for the result" (p.245).

13) This was inspired by Parsons's (2007) mapping of arguments in political science: a "logic-of-position" claim attributes a political phenomenon to material structures or man-made institutions while a "logic-of-interpretation" claim explains it as a function of ideational or psychological factors that organise people's thinking (pp.11-4).

ideas per se, the institutional power of ideas, and the coalitional power of ideas—has potential to elucidate policy revolution, evolution, stasis, and even withdrawal as shown earlier. One might claim that external factors are sufficient to explain some changes in policy and also necessary at times, such as the outbreak of coronavirus in 2019. However, it should be noted that those environments do not directly affect policies. Policymakers should interpret their contexts (not automatically respond) and they do so through cognitive shortcuts—ideas—due to the bounded rationality of the subject (i.e., policymakers) and the uncertainty of the object (i.e., environments), leading to different policy decisions (Hay, 2008; Blyth, 2002; Simon, 1947). For example, as initial countermeasures to the same coronavirus, the Swedish government set the goal of herd immunity while neighbouring countries introduced strict lockdowns (Orlowski and Goldsmith, 2020). This is why the perception of environments, not environments themselves, matters (Fligstein, 1991). Additionally, this study does not deny the role of other variables. Rather, it synthetically takes into account various factors by discussing the ideational power through institutions and coalitions. In sum, this essay is wary of theoretical attempts that (relatively readily) attribute the drivers of policy change to crises or events exclusively, arguing for the necessity for scrutinising the interplay between endogenous and exogenous factors, including ideas, actors, and institutions.

Third, research in policymaking, in particular regarding case studies, should encompass existing policies as well as newly introduced ones. It may be that not a few studies on policy change tend to concentrate on identifying what factors lead to a new

policy at a certain point of time. However, most of policy innovation does not occur in vacuum of past policies; it arises as a change from policy A to B. Thus, in order to explicate what causes a particular change in policy, one needs to not only identify factors surrounding the new policy but also illuminate the extant policy and its variables (e.g., ideas, institutions, actors, environments). An in-depth analysis on the competition between old and new allied forces contribute to investigating what impedes policy change as well as what facilitates it, centring on the role of ideas. Therefore, policy researchers need to examine not only reforming policies but also reformed ones; and should trace not only path-dependent forces but also path-shaping ones.

### **3. Policy recommendations**

The foregoing discussion of ideational power in policy withdrawal carries fruitful lessons for policymakers. Policy withdrawal, as stated before, produces significant adverse effects, such as political conflicts and economic uncertainty, with very little benefits. Politicians and practitioners, hence, should do more than formulate their pet policies; they have to be well prepared to ensure those policies to be legitimated and implemented in the end. This study suggests the ideational power as a key driver that enables policy change. Thus, governments should strive for considerable ideational power enough to realise, not only formulate, their policy ideas. Then how can they accomplish this?

First, a policy design needs to be based upon reasonable and appropriate beliefs, particularly in line with underlying assumptions. Above all, policymakers should define a social problem with plausible causal arguments. A social condition does not spontaneously become a policy problem until political actors problematise it with causal stories about what has caused the bad condition (Bacchi, 2009; Stone, 1989; Kingdon, 1984). Hence, policymakers ought to identify social harms, attribute them to man-made causes, and advocate government interventions that can resolve them (Stone, 1989), the whole process of which is predicated on common sense or scientific knowledge. But this is also affected by normative values (Kingdon, 1984), which means that government actions need to be interpreted as appropriate, particularly in terms of social justice. Importantly, policymakers need to recognise that problem definitions and policy solutions can be

successful to the extent that they are commensurate with underlying assumptions in society. For example, the Truss government in 2022 should have been more discreet in ruthless tax cuts, acquiescing in the consensual limitation of supply-side economics. For, historically, tax reduction has never been a panacea, as Sunak accused the Truss's plan of a "fairytale" (Stone, 2022). It was particularly necessary for the PM to grasp the deeply held belief—austerity—in the British politics and come up with more viable plans that could overcome, or at least adapt to, this ideational barrier.

Second, institutional reforms have to be comprehensive. A piecemeal institutional reform without a bird's eye view is likely to be obstructed by the path-dependent inertia from existing institutional arrangements. Most changes in institutions, as previously argued, take a hybrid form of reconfiguration; and reforming attempts at odds with the reigning ideas are greatly resisted. Thus, policymakers should take into account a whole institutional web and strive to reform relevant institutional complementarities as well as the focal institution. The Truss administration, however, simply reformed the tax system and left other institutional arrangements unchanged at least in the short-term. The cabinet should have developed a more synthetic and phased plan which encompasses not only the tax system but also other relevant institutions orientated into austerity, such as the Charter for Budget Responsibility and the statutes on the central bank. This is to remove institutional barriers that are ideationally contradictory to the institutionalisation of new ideas. In short, comprehensive path-shaping strategies are necessary which can

undermine path-dependent institutions embedding the old ideas.

Third, practitioners need to employ coalition building strategies as well. While we recognise the central role of the state in policymaking, "the state is ... linked to society by a flow of ideas" (Hall, 1993, p.289). Insofar as understanding this, governments should endeavour to form a stronger advocacy coalition that can enhance the power of their ideas. In a democracy, it is needless to say that popular support is of supreme importance. But for the sake of this, winning influential individuals, groups, and networks may be a more effective strategy than merely appealing to the public. Notably, this case study reaffirmed the considerable power of framing that set the boundary between "responsibility" (i.e., austerity) and "irresponsibility" (i.e., the Budget). Herein, timing is critical. The reformist, before ceding the initiative to the coalition of existing ideas, should employ strategies to gain an advantage in shaping positive images of new policy ideas. They can elicit broader support by articulating and disseminating new ideas not in their own languages (e.g., supply-led growth) but in public languages (e.g., prosperity, great again, determination). In particular, if those languages can be understood in multiple ways, this multivocality may help link myriad actors and thereby create a broad coalition (Parsons, 2016). For example, the polysemic discourse of "social investment" played a significant role in surviving and diffusing neoliberal ideas in social policies (Jenson, 2010). Overall, these strategies will be able to bolster the coalitional power of reforming ideas, contributing to a triumph over the ideational competition between old and new.

## Chapter 6. Conclusion

What does the hitherto analysis on the Budget tell policymakers in a post-covid era? This essay scrutinised a recent, high-profile case of policy withdrawal in order to answer this question. For, I believe, policy withdrawal is caused by intensive social conflicts in complicated policy dynamics which are increasingly likely to occur in this economic and financial squeeze. As such, this study enquired into why some policies are withdrawn while others not, which is simple but underexplored research question, by analysing the 2022 UK mini-budget.

Policy withdrawal denotes the decision of reversing a previously formulated policy before its implementation. This has not been fully addressed by public policy models, such as works of Kingdon (1984), Sabatier (1988), and Baumgartner and Jones (1993), which posits that a policy, once formulated, is to be implemented. However, this essay drew valuable insights from the current literature on political science, in particular regarding the role of ideas in policy change. It is believed that the ideational scholarship fills lacunae in previous research which tends to attribute policy change to external shocks (i.e., punctuation) and thus has more difficulties in explicating change than persistence. Ideas simultaneously facilitate and constrain policy change. Political actors exploit certain ideas as blueprints for institutional reform on the one hand; but on the other, institutionalised ideas constrain viable options and even thoughts of actors. In this regard, the ideational perspective was pertinent to this study. For policy withdrawal is an ambivalent phenomenon of "unchanged change", mostly occurring

without any significant shifts in environments. Based on this theoretical argument, this essay suggested three categories of the ideational power—the power of ideas per se, the institutional power of ideas, and the coalitional power of ideas—and tested the hypotheses that can be summarised as follows: the Budget was formulated by the PM's new ideas and eventually reversed in consequence of the power competition between the new and existing ideas, with the former being overwhelmed by the latter.

To begin, the formulation of the Budget was closely associated with the new ideas of Truss, not general ideas of British PMs. This was demonstrated by comparing the word frequency of PM Truss's speeches, the statement of The growth plan 2022, and former PM's first speeches. However, the Budget was reversed as a consequence of the power conflict over ideas. First, the new ideas may have been defeated in the "hermeneutic contest" between the ideas per se (Wilder and Howlett, 2014, p.183). Truss's ideas failed to resonate with the public, supposedly because her policy decisions were construed as unreasonable and unfair to some extent, compared to the existing ideas, and, more crucially, contradictory with the underlying assumption of British society—*austerity*. Second, the PM's pressure on institutional reforms, including the tax reduction, was impeded by the institutional power of existing ideas, overarching various current institutions, such as the tax system, fiscal disciplines, the BOE, and so forth. Notably, these *austerity*-biased institutions selectively constrained the new ideas, with the permanent tax cuts being excluded while *ad hoc* energy supports being absorbed. Third, the coalitional power of Truss's ideas was quantitatively and qualitatively inferior to that of

the existing ideas. Although a coherent coalition was created with ideational fellowship amongst the PM, right-wing think tanks, and some businesses, the opposition side formed a wider, more influential coalition in favour of the reigning ideas by and large, such as austerity and the principle of progressive taxation, encompassing Conservative MPs, the Treasury, media, and the public.

Therefore, a new policy, without its ideational power, is likely to be withdrawn, as shown in this case study. If a policy was formulated by the new ideas of the powerful in the absence of public sympathy, the policy could not eschew the power conflict with the existing ideas and would be predisposed to be withdrawn under the following conditions: first, the new ideas per se was less reasonable, less appropriate, and incommensurate with world views in society; second, current institutional arrangements effectively entrenched the existing ideas, resisting the institutionalisation of the new ideas; third, the reigning ideas were advocated more strategically by more influential actors. More generally, this may reach a conclusion that a successful change in policy involves its ideational power otherwise it is likely to be withdrawn. Even though a structural or institutional factor triggered a policy change, it could be retracted if it were not for sufficient ideational power. This does not deem ideas as the unique determinant of policy change; rather, it would be better to understand the central role of ideas and the interplay between ideas and other variables, from institutions to actors, for thoroughly analysing policy change. Lastly, in practice, policy withdrawal may be a tragic conclusion for policymakers as well as the public. Thus, practitioners should strive for the ideational

power sufficient to realise, not only formulate, their policy ideas: by developing potent policies that can resonate with the public; by reforming not only the target institutions but also institutional complementarities that are ideationally contradictory to their new ideas; and by attracting influential actors and strategically framing their policy images. Taken together, I conclude that more research in policy withdrawal needs to be done, which can provide theoretical and practical insights into public policy, as attempted in this study.

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< 한글 요약 >

**포스트코로나 시대 전략적 정책관리방안 연구:  
영국의 2022 미니버젯의 정책철회 사례를 중심으로**

**Public policy management strategy in a post-covid era:  
a case study on policy withdrawal of the 2022 UK mini-budget**

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## 제1장 도입

- 코로나19 팬데믹은 공공정책과 이를 둘러싼 환경에 지대한 영향을 미침
  - 코로나19로 인한 경기침체는 정부의 재정여건을 악화시키고 공공재정의 지속가능성에 대한 의구심을 불러일으키는 한편, 그 영향이 각 사회계층에 불균등하게 미치면서 경제적 불평등과 사회분열이 심화되고 있음
  - 이에 따라 정부는 여러 정책을 둘러싼 격렬한 갈등 속에서 다양한 정책 우선순위들 간의 적절한 균형을 모색하면서도 시민들의 요구에 효과적으로 대응해야 하는 상황에 처해 있음
  - 본 연구는 위와 같은 포스트코로나 시대에 정부가 정책을 어떻게 전략적으로 관리해나가야 하는지에 답하기 위하여, 정부가 기존에 공식화하였던 정책을 정치적 격랑과 사회적 갈등으로 말미암아 결국 뒤집게 되는 정책실패 사례, 즉 정책철회(policy withdrawal) 사례를 연구함으로써 정책입안자에게 일종의 반면교사의 교훈을 제공하고자 함
  
- 정책이 때때로 철회된다는 것은 지극히 당연한 사실이지만, 놀랍게도 이에 대한 연구는 찾아보기 어려움
  - 정책과정에 관한 이론은 정책이 일단 공식화되면 집행될 것이라고 상정하지만 어떤 사례에서는 이러한 과정이 거꾸로 진행되기도 하는데, 이와 같은 정책철회 사례는 대개 사회적 파급효과가 매우 크고 찬성과 반대 사이의 경쟁과 갈등이 치열하기 때문에, 보다 많은 학문적 관심을 받을 필요가 있음

- 본 에세이는 정책철회가 무엇이고, 정책철회에는 어떠한 변수가 있는지, 이것이 정책변동 연구에 시사하는 바가 무엇인지, 궁극적으로 정책입안자에게 어떠한 교훈을 제공하는지를 탐구함
- 영국의 2022년 경제성장계획(The growth plan 2022), 소위 2022 미니버짓(mini-budget)은 공식화된지 한 달 내에 철회되었음
- 영국의 재무장관 콰르텡(Kwarteng)은 2022년 9월 23일 대부분 정부차입으로 조달될 대규모 감세 계획을 담은 2022년 경제성장계획을 발표함
  - 정부 발표 직후, 국채금리 급등, 파운드화 급락 등 금융시장이 요동쳤고 미니버짓에 대한 사회각계의 광범위한 비판이 이어지면서, 감세를 포함한 대부분의 정책이 철회되었고 트러스(Truss) 총리는 결국 10월 20일에 사의를 발표하게 되었음
  - 본 연구는 무엇이 트러스 정부로 하여금 미니버짓을 강행하도록 만들었고, 또 무엇이 결국 이 예산안을 취소하도록 만들었는지에 대해 심도있게 들여다보고 있음
- 정책철회 또한 정책변동의 한 유형이므로, 본 에세이는 정책변동에 관한 다양한 이론을 바탕으로 연구를 진행하였음
- 특히 정책철회는 정책이 변화하였는데 결국 변화하지 않은 모호하고 아이러니한 상황을 지칭하므로, 본 에세이는 정책의 불변, 즉 경로의존적 특성뿐만 아니라 정책의 변화에 대해서도 이론적인 설명을 제공할 수 있는 관념(idea)의 역할과 이에 관한 선행연구에 기반을 두고 있음

- 요컨대, 본 연구는 관념을 중심으로 어떠한 요인들이 미니버짓의 공식화(formulation) 및 반전(reversal)에 영향을 미쳤는지를 규명하고자 함
  - 이를 통해 새로운 정책에 관념적 힘이 없다면 그것은 철회될 가능성이 높다는 것을 주장하고 있음
  - 본 에세이는 선행연구에 대한 비판적 검토를 바탕으로 관념 등 공공정책의 인과적 요인들을 논의하고, 정책철회의 요인으로서 정책공식화에 있어 집권세력의 관념(ideas of the powerful), 정책반전에 있어 관념 자체의 힘(power of ideas *per se*), 관념의 제도적 힘(institutional power of ideas), 관념의 집단적 힘(coalitional power of ideas)을 제시하며, 미니버짓은 새로운 관념에 의해 공식화되었지만 과거의 관념의 힘이 새로운 관념의 힘과의 경쟁에서 승리하면서 결국 해당 계획이 철회되었다는 가설을 검증한 후, 일반적인 정책철회의 요인을 제안하고 이것이 정책변동 연구에 주는 시사점을 논의하며 마지막으로 정책입안자에 대한 정책제안을 내놓았음

## 제2장 선행연구 검토 및 정책철회 이론화

### 1. 선행연구 검토

#### 1.1 공공정책에 관한 선행연구: 개요

- 현대 정치과학의 주류는 일반적으로 행태주의(behaviouralism), 합리적 선택 이론(rational choice theory), 신제도주의(new institutionalism)로 분류할 수 있고, 공공정책도 연구대상에 포함됨
- 공공정책을 심층적으로 들여다본 연구로는 주로 정책과정에서의 의사결정(decision-making)에 초점을 맞춘 고전적 연구들과 정책변화(policy change)와 안정성(stability)을 설명하는 종합적 이론들이 있음

#### 1.2 비판적 검토: 관념적 접근

- 최근 정치과학은 정치적 현상의 변화와 지속성을 외생변수, 즉 구두점(punctuation)에 의존하지 않고 설명하기 위하여 관념의 역할(the role of ideas)에 주목하고 있음
- 본 연구는 관념을 인과적, 규범적 믿음, 그리고/또는 사회의 근본적 가정으로 정의함
  - [관념과 구조/제도] 관념은 행위자들이 그들이 처한 환경을 해석하는 인지적 필터(cognitive filter)인 동시에, 그러한 환경은

기존의 관념에 의해 구성, 즉 성문화된 시스템(codified systems of ideas)임

- [관념과 행위자] 행위자들은 관념 없이는 바깥세상을 이해하거나 이성적으로 행동할 수 없는 동시에, 관념은 그 전달자 또는 지지자 없이는 나타날 수 없음
- [관념과 이해(interest)] 이해는 분명 인간의 행동에 영향을 미치지만, 이해는 객관적으로 주어진 것이 아니라 주관적으로 구성되는 것이므로 관념에 의해 그 범위가 결정된다고 볼 수 있음
- 인간은 문제를 이해하고 제도를 구축하며 정책을 입안하면서 자신들의 환경을 구성하는데, 이러한 과정은 특정한 이정표, 즉 관념이 없이 이뤄질 수는 없으므로, 관념이 다른 요인들과 상호작용하면서 정책에 영향을 미치는 힘을 주목할 필요가 있음
- 관념의 힘에는 관념 자체의 힘, 관념의 제도적 힘, 관념의 집단적 힘이 있음

## 2. 정책철회 이론화

### 2.1 정책철회의 개념 및 연구 필요성

- 정책철회란 정책입안자가 이미 공식화된 정책을 정책 합법화(legitimation) 또는 집행(implementation) 이전에 반전시키는 의사결정을 말함
  - 정책철회는 정책공식화와 정책반전으로 구성되는데, 전자는 보통 집권세력의 결단으로 야기되고, 이에 따른 기존세력과 변화세력 간 정치적 갈등이 후자로 귀결되는 것이 정책철회임
  - 정책철회는 정책집행 이후에 이뤄지는 정책반전(policy reversal), 정책종결(policy termination), 정책환류(policy feedback) 등과 구별되고, 정책이 의도한 목적을 달성하였는지에 관심을 갖는 정책실패(policy failure)와 구별됨
- 정책철회는 정책단계에 관한 전통적 모형(stages heuristic)과 상충되는데, 정책변동에 관한 통합적 이론인 킹돈(Kingdon)의 다중흐름모형(Multiple Streams Framework), 사바티에(Sabatier)의 옹호연합모형(Advocacy Coalition Framework), 바움가트너와 존스(Baumgartner and Jones)의 단절균형이론(Punctuated Equilibrium Theory)도 공식화된 정책이 반전될 수 있는 가능성을 고려하고 있지 않음
- 그러나 정책철회를 둘러싼 요인을 밝히는 것은 정책변화의 필요조건뿐만 아니라 충분조건을 규명하는 데 도움이 된다는 점, 관찰가능한 불변을 들여다봄으로써 정책변동 연구의 선택편향을

제거한다는 점, 정책변화의 원인을 주로 외생변수에서 찾는 많은 연구들의 빈틈을 채워준다는 점, 변화한 정책뿐만 아니라 변화의 대상이 된 기존정책에 대한 연구 필요성을 재확인시켜준다는 점, 무엇보다 정책입안자를 포함한 실무자들에게 중요한 교훈을 제공한다는 점에서 그 연구 필요성이 인정됨

## 2.2 정책철회의 변수

- 먼저, 정책공식화 단계는 집권세력의 관념이 변수로 작용함
  - 어떤 관념이 스스로 영향력을 지니지 못한다고 하더라도 정치적 권위를 가진 전달자, 예컨대 새롭게 임기를 시작한 총리에게 선택받음으로써 큰 영향력을 가질 수 있음
  
- 정책반전 단계는 새로운 관념의 힘과 기존 관념의 힘 사이의 경쟁이 변수로 작용하고, 여기서 관념의 힘은 관념 자체의 힘, 관념의 제도적 힘, 관념의 집단적 힘으로 구성됨
  - 첫째, 관념 자체의 힘은 관념의 질량과도 같은 것으로서, 질량(매력)이 높은 관념은 중력(대중에 대한 호소력)이 강한데, 일반적으로 강력한 관념은 정책문제에 대한 설득력 있는(reasonable) 문제정의와 해결책을 내놓고 일반상식에 부합하는 적절한(appropriate) 주장을 담고 있으며 사회 기저에서 당연시되는 가정들에 부합(commensurate)하는 특징을 지니고 있음
  - 둘째, 관념은 제도 또는 제도화를 통해 힘을 얻게 되는데, 전자는 현재의 제도가 기존의 관념을 구체화한 결과물을 말하고 후자는

새로운 관념이 그에 맞는 새로운 제도를 구체화시키는 과정을 말하는 것으로서, 전자에서는 기존의 관념 및 제도가 변화를 거부하는 경로의존적(path-dependent) 힘을 발견할 수 있고 후자에서는 새로운 관념 및 제도화가 변화를 지향하는 경로형성적(path-shaping) 힘을 식별할 수 있음

- 셋째, 관념은 그것을 지지하거나 전달하는 집단에 의해 그 힘이 강화되고 각 집단은 한번 형성되면 계속해서 확장적 재생산 과정을 거치게 되는데, 이때 핵심적인 행위자들은 경쟁집단보다 더 강력한 옹호연합(advocacy coalition)을 구성하기 위하여 그들의 관념적 능력과 담론적 능력을 최대한 발휘하여 특정 관념을 옹호하는 전략을 취함

### 제3장 연구가설 및 방법

#### 1. 연구가설

- 본 연구의 핵심적인 연구질문(research questions)은 다음과 같음
  - 첫째, 어떤 요인이 미니버짓이 공식화되는 데 영향을 미쳤는가?
  - 둘째, 어떤 요인이 미니버짓이 반전되는 데 영향을 미쳤는가?
  
- 이에 따라 본 연구는 다음과 같은 연구가설(research hypotheses)를 설정함
  - H1. 트러스 총리의 새로운 관념이 미니버짓의 공식화에 영향을 미쳤다.
  - H2. 새로운 관념과 기존의 관념 간의 경쟁, 그리고 후자의 승리가 미니버짓의 반전에 영향을 미쳤다.
    - H2.1. 새로운 관념 자체의 힘이 기존 관념의 그것에 미치지 못했고, 이것이 미니버짓의 반전에 영향을 미쳤다.
    - H2.2. 새로운 관념의 제도적 힘이 기존 관념의 그것에 미치지 못했고, 이것이 미니버짓의 반전에 영향을 미쳤다.
    - H2.3. 새로운 관념의 집단적 힘이 기존 관념의 그것에 미치지 못했고, 이것이 미니버짓의 반전에 영향을 미쳤다.

## 2. 연구방법: 사례연구

- 본 에세이는 질적 사례연구를 통해 정책철회를 둘러싼 관념, 제도, 집단 등 여러 변수들 사이의 인과관계를 탐구함
  - 특히 관념론적 접근방법은 의미, 믿음, 규범, 내러티브, 언어 등 양적 연구방법으로는 파악하기 어려운 변수들에 집중하고, 미니버짓에 대한 종합적 선행연구가 아직 없다는 점을 감안하여, 해당 정책사례에 대한 심층적인 질적 사례연구를 실시함
  
- 본 연구는 영국정부의 공식 웹사이트 내 정부보고서, 보도자료, 통계 등과 출판 도서 및 학술저널의 논문, 연구기관 및 비영리기관의 보고서, 언론보도 등을 종합적으로 참고하였음
  - 특히 H1과 관련하여, 콰르텡 재무장관의 미니버짓 연설, 트러스 총리의 국내정책 관련 다섯 번의 연설, 트러스 이전 다섯 명의 총리의 공식적인 첫 연설에 나타난 단어 빈도(word frequency)를 확인하였음

## 제4장 사례분석: 영국의 2022 미니버짓

### 1. 개요

- 미니버짓의 세가지 축은 감세, 에너지 인플레이션 대응, 경제의 공급측면 개혁으로 요약됨
  - 즉, 소득세, 법인세, 건강보험료 등에 이르는 광범위한 감세 조치, 에너지 가격 상승에 대응한 임시 보조금 지원, 구체성이 결여된 공급측면 개혁 및 조세체계 단순화로 구성됨
- 특히 감세 규모는 5년 차에 £45조에 이르러 1972년 이래 영국의 재정적 이벤트 중 가장 큰 규모에 해당
  - 문제는 해당 감세는 영국 경제에 기적적인 경제성장이 일어나지 않는 한 상당한 규모의 정부차입으로 재원이 조달될 것이라는 점이었고, 미니버짓으로 인해 영국 정부가 향후 5년간 기존보다 £411조만큼 더 차입해야 하고 2026-7 회계연도에 GDP 대비 정부부채 비율은 95%를 넘어설 것으로 전망되었음

## 2. 트러스 정부의 관념: H1 검증

- 먼저, 미니버짓의 공식화는 트러스 총리의 새로운 아이디어와 밀접하게 관련이 있었음
  - 단어 빈도의 비교 분석 결과, 트러스 총리의 국내정책 관련 다섯 번의 연설에 자주 등장한 단어들은 콰르텡 재무장관의 미니버짓 연설에 많이 나타난 단어들과 유사하였음 (예: 에너지, 경제, 성장, 기업, 투자)
  - 반면, 트러스 총리가 과거 다섯 명의 총리의 첫 연설과 공통적으로 자주 사용한 단어들은 단지 정치적으로 많이 활용되는 것들에 불과하였음 (예: 새로운, 국민, 국가)
  - 따라서 미니버짓은 영국 총리들의 일반적인 생각이 아닌 트러스 총리의 관념을 반영하고 있는 것으로 보임

### 3. 새로운 관념과 기존 관념 사이의 경쟁: H2 검증

#### 3.1 관념 자체의 힘 사이의 경쟁: H2.1 검증

< 인과적 믿음(causal beliefs): 저성장 vs. 생계비 >

- 트러스 정부는 저성장을 영국 경제의 문제로 정의하였지만, 영국의 생계비 위기 자체에 집중한 기존 관념보다 설득력이 떨어졌음
  
- [새로운 관념: 저성장] 트러스 총리와 콰르텡 재무장관은 저성장을 영국 경제의 핵심 문제로 지적하였음
  - 영국 재무성은 대규모 감세를 통해 매년 2.5%의 경제성장을 달성할 수 있을 뿐만 아니라 조세수입도 £47조 증대시킬 것으로 보았는데, 이는 1970년대 오일쇼크 이후 케인즈주의의 대안으로 제기되었던 공급측면 경제학에 이론적 근거를 두고 있음
  
- [기존의 관념: 생계비 위기] 기존의 관념은 문제를 경제성장으로 확대하기보다는 생계비 위기에 집중하였기 때문에 감세보다는 건전한 재정을 만드는 것이 필요하다고 보았고, 실제로 이는 존슨 총리와 수낙 재무장관의 선거전략 중 하나였음
  - 근본적으로는 공급측면 경제학자들이 주장하는 감세정책이 지난 40년간 효과적이지 못했기 때문에, 미니버짓은 대다수의 시장 참여자들에게 설득력이 부족하였고 이는 영국 국채와 파운드화의 폭락으로 이어졌으며 정부부채의 '증가'는 정부부채의 '위기'로 재정의되기에 이르렀음

< 규범적 믿음(normative beliefs): 효율/공평으로서의 공정 vs. 평등/공평으로서의 공정 >

- 새로운 관념과 기존 관념 모두 나름의 규범적 믿음 구조를 지녔지만, 기존의 관념이 더 적절한 것으로 인식되었음
- [새로운 관념: 효율성(efficiency) 및 공평성(equity)] 먼저, 감세는 효율적으로 경제의 파이를 키우고 낙수효과를 가져올 수 있을 것으로 간주되었는데, 이는 공리주의로부터 발달한 후생경제학에 지적 연원을 두고 있음
  - 둘째로, 한 사람의 기여는 그 기여에 비례하여 보상받아야 한다는 믿음과 노직(Nozick)의 이론 등에 근거하여, 감세는 열심히 일하는 사람들에게 더 큰 보상을 줄 수 있는, 공평한(equitable) 것으로 볼 수 있음
- [기존의 관념: 평등성(equality) 및 공평성(equity)] 먼저, 미니버짓은 2025-6 회계연도까지 상위 5%에게는 큰 혜택을 주고 중산층 대부분에게는 손해를 안길 것으로 예상되어 매우 불평등한 정책으로 비판받았고, 이는 평등에 관한 롤즈(Rawls) 등의 주장과 정면으로 배치되는 것이었음
  - 둘째로, 열심히 일하는 사람이 더 많이 보상받아야 한다는 것에 동의하더라도 현재의 빈부가 출생, 운과 같은 외생적 변수에 의해 영향을 받는다면 누진적 조세체계가 공평할 수 있다는 다수 영국인의 인식에 따라 미니버짓의 정당성은 더욱 훼손되었음

< 근본적 가정: 신자유주의와 긴축 >

- 1970년대 후반 이후 영국 정치를 지배한 신자유주의는 미니버짓을 둘러싼 관념적 투쟁의 중심에 있었음
  
- [새로운 관념: 낡은 버전의 신자유주의] 감세 등 신자유주의적 정책을 통한 정부부채 확대는 2008년 금융위기를 거치면서 더 이상 지속 불가능한 것으로 인식되었지만, 트러스 총리의 새로운 관념은 사실상 낡은 버전의 신자유주의적 관념에 머물러 있었음
  
- [기존의 관념: 긴축(austerity)] 신자유주의는 2008년 이후 긴축, 즉 정부의 구조적 적자를 줄이는 것을 내면화하면서 한 단계 진화하였고, 이는 트러스 정부의 새롭지만 전혀 새롭지 않은 관념보다 강한 힘을 가지고 있었음
  - 긴축은 정부예산의 구성을 재조정함으로써 복지국가를 점차 해체할 수 있고, 논쟁적이긴 하지만 오히려 경제성장에 도움이 될 수도 있으며, 추후 위기 발생 시 금융기관 구제를 위한 재정적 여유를 비축할 수 있다는 점 등 여러 이점이 있다고 인식됨

3.2 관념의 제도적 힘 사이의 경쟁: H2.2 검증

- 트러스 정부는 새로운 관념을 제도화하려고 노력하였지만, 기존의 관념을 이미 구체화한 다양한 제도들의 강한 힘에 좌절되었음

- [새로운 관념: 경로형성] 트러스 정부는 기존의 제도적 경로에서 벗어나 소득세, 법인세, 건강보험료 등의 광범위한 감세와 은행가의 보너스 상한선 폐지, 공급측면 제도 개혁, 규제 완화, 투자에 대한 인센티브 제공 등의 제도화를 시도하였음
  
- [기존의 관념: 경로의존] 기존의 관념, 특히 긴축을 구체화하고 있는 기존의 제도들은 트러스 총리의 제도화 시도를 관념적·제도적으로 제약하였는데, 이러한 제약은 긴축과 영구적으로 배치되는 제도적 변화, 특히 감세에 선별적으로 작용하였음 (반대로, 일회성의 에너지 보조금은 기존 관념·제도의 수용범위 안에 포함되었음)
  - 첫째, 미니버짓은 2008년 글로벌 금융위기와 코로나19를 제외하면 1948년 이후 역사상 최초로 영국 정부의 재정수입을 감소시킬 것으로 예상되었고, 이는 영국의 조세 시스템의 역사적 경로에서 크게 이탈하는 것이었음
  - 둘째, 감세는 영국의 지속 가능한 공공재정을 제도화하고 있는 예산책임헌장(the Charter for Budget Responsibility)과 예산책임원(the Office for Budget Responsibility), 즉 영국 정부의 재정규율(fiscal discipline)에 위배될 것으로 예상되었음
  - 셋째, 감세는 긴축 지향적인 다양한 상보적 제도들(institutional complementarities)과 모순되었는데, 여기에는 미니버짓으로 인해 오히려 금리 인상 가능성이 커진 영란은행, 통화정책과 상충하는 재정정책을 경고하고 나선 국제통화기금(International Monetary Fund), 높은 수준으로 개방된 영국의 금융시장 등이 있었고, 이들은 트러스 정부의 감세 시도에 강하게 저항하였음

### 3.3 관념의 집단적 힘 사이의 경쟁: H2.3 검증

- 트러스의 새로운 관념은 몇몇 싱크탱크와 기업들로 구성된 연합으로부터 강한 지지를 받았지만, 기존의 관념을 뒷받침하는 더 광범위하고 강력한 지지집단에 압도되었음
  
- [새로운 관념: 트러스측 연합] 트러스의 관념을 지지하는 친정부 성향 연합은 트러스 내각, 싱크탱크, 기업들로 구성되었음
  - 첫째, 영국의 대표적인 뉴라이트 싱크탱크인 경제문제연구소(the Institute of Economic Affairs), 아담스미스 연구소(the Adam Smith Institute), 정책연구센터(the Centre for Policy Studies), 정책교환(Policy Exchange)은 오랫동안 트러스 총리를 옹호하는 싱크탱크로 활동하였음
  
  - 둘째, 위 연구기관들의 재정은 2017년 기준 영국의 27개 싱크탱크 중에서 가장 불투명한 것으로 평가되었는데, 몇몇 연구에 따르면 거대 담배기업 등 대규모 자본에 의해 후원을 받아온 것으로 알려짐
  
- [기존의 관념: 기득권측 연합] 기존의 관념은 트러스측 연합보다 양적·질적으로 우월한 연합에 의해 지지받음으로써 더 강력한 집단적 힘을 발휘하였음
  - 첫째, 미니버짓은 야당뿐만 아니라 여당 내에서조차 보수당의 건전한 재정제에 관한 오랜 평판을 망가뜨리고 있다는 지적과 함께 적지 않은 비판에 직면하였음

- 둘째, 재무성으로 대표되는 영국의 경제관료들은 트러스 내각과 충돌하였고, 트러스 총리는 이를 '재무성 정통주의'(Treasury orthodoxy)라고 비판하였음
- 셋째, 금융시장의 참여자들의 미니버짓에 대한 평가는 글로벌 자본의 급격한 이탈, 영국 국채 및 파운드화의 급락 등 매우 가혹하였음
- 넷째, 언론과 일반 대중은 더 근본적이고 극복 불가능한 반대 세력을 구축하였는데, 특히 기존의 관념인 긴축에 대한 프레임은 그간 긍정적(예: '책임성', '불가피한', '건전성')이었던 반면 새로운 관념에 대한 주요 뉴스 헤드라인은 부정적(예: '도박', '부자를 위한 예산', '거꾸로 된 로빈후드')이었다는 점과 국민적 여론이 성장보다는 분배를 더 지지했다는 점 때문에 기존 관념이 우월한 집단적 힘을 지니게 되었음

#### 4. 요약

□ 본 연구는 위에서 제기한 가설을 모두 검증하였음

- 첫째, 트러스 총리의 새로운 관념이 미니버짓의 공식화에 영향을 미쳤음
- 둘째, 새로운 관념과 기존의 관념 간의 경쟁에서 새로운 관념 자체의 힘이 기존 관념의 그것에 미치지 못했고, 이것이 미니버짓의 반전에 영향을 미쳤음
- 셋째, 새로운 관념의 제도적 힘도 기존 관념의 그것에 미치지 못했고, 이것이 미니버짓의 반전에 영향을 미쳤음
- 넷째, 새로운 관념의 집단적 힘도 기존 관념의 그것에 미치지 못했고, 이것이 미니버짓의 반전에 영향을 미쳤음

## 제5장 토론 및 정책제안

### 1. 정책철회의 원인: 일반화

- [공식화] 정책철회의 맥락에서 볼 때, 정책 공식화는 제한된 대중적 지지 속에서 몇몇 집권세력의 정치적 힘에 의해 이뤄짐
  - 이는 대의민주제가 선출직에 위임된 권력(the entrusted power of the elected)과 시민의 본래적 권력(the natural power of the citizens) 사이의 끊임없는 긴장관계에 있다는 점을 고려할 때, 미니버짓과 같이 향후 철회의 가능성을 내포하고 있는 정책은 후자보다는 전자에 기반을 둔다고 볼 수 있기 때문임
  
- [반전: 관념 자체의 힘] 새로운 관념이 기존 관념보다 낮은 중력(매력도)을 지니면 새로운 정책은 철회될 가능성이 높음
  - 이는 새로운 관념보다 기존 관념이 더 합리적인 인과적 지식을 가지고 있고, 더 적절한 규범적 가치를 지니고 있는 경우에 해당하며, 이에 대한 평가기준은 그 사회의 근본적 가정(예: 긴축)이 제공하게 됨
  
- [반전: 관념의 제도적 힘] 기존의 관념이 현 제도에 견고하게 내재화되어 있을수록 새로운 정책은 철회될 가능성이 높음
  - 모든 제도화 시도가 (관념의 영향과 관계없이) 기존 제도로부터 제약을 받는 것이 아니라, 현 제도에 내재화된 기존의 관념(예: 긴축)과 상충하는 새로운 관념적·제도적 도전(예: 감세)이 현 제도의 경로의존성에 부딪히게 되는 것이고, 관념적 불일치가

미약한 새로운 제도적 변화(예: 일회성 에너지 보조금)는 그러한 제약을 받지 않을 가능성이 높음

- [반전: 관념의 집단적 힘] 기존의 관념이 새로운 관념보다 우월한 집단적 힘을 지닌 경우, 이는 새로운 정책의 철회 가능성에 기여함
  - 어떤 관념을 지지하는 집단이 양적·질적으로 강할수록 그 관념의 힘도 더 강해지는데, 보다 중요한 것은 개개인들의 절대적 숫자라기보다 더 영향력 있는 행위자(예: 언론, 금융시장 참가자)가 더 전략적(예: 프레이밍)으로 목소리를 낼 때 그 관념의 힘이 크게 증가할 수 있다는 점임

## 2. 정책변화에 대한 시사점

- 첫째, 정책변화는 관념적 힘을 동반하며, 그렇지 않으면 그 변화는 원래의 상태로 되돌려질 수 있음
  - 어떤 정책변화가 구조적 또는 제도적 변수에 의해 촉발된다고 하더라도, 그 변화에 있어서 기존의 관념과 그를 뒷받침하는 제도 및 집단의 저항을 극복할 만큼의 충분한 관념적 전환(ideational shift)이 수반되지 않는다면 그 변화는 정책철회로 귀결될 가능성이 높음
  
- 둘째, 정책변화의 설명은 외생변수에 반드시 의존할 필요는 없고, 어떤 정책을 둘러싼 관념의 힘은 정책혁신(policy revolution), 정책진화(policy evolution), 정책유지(policy stasis), 심지어 정책철회(policy withdrawal)도 설명 가능한 잠재력이 있음
  - 이는 관념 외의 변수를 절대 간과하는 것이 아니고, 관념의 힘을 중심으로 하여 제도와 행위자 등의 다양한 변수를 종합적으로 이론화함으로써 정책변화의 설명에 내생변수와 외생변수의 상호작용을 면밀히 들여다보는 이론적 시도임
  
- 셋째, 정책변화에 관한 연구, 특히 사례연구는 새로운 정책뿐만 아니라 기존의 정책에 대해서도 이뤄져야 함
  - 신구세력 간 경쟁에 대한 심층분석은 무엇이 정책변화를 촉진하는지뿐만 아니라 무엇이 그것을 저해하는지에 대해서도 파악할 수 있게 함

### 3. 정책제언

- 정부는 정책을 공식화하는 것에 그치지 않고 이것이 실현, 즉 합법화, 집행까지 이어지도록 하는 데 필요한 관념적 힘을 충분히 구비해야 하고, 이는 정책을 둘러싼 갈등이 점차 심화되고 있는 포스트코로나 시대에 정책입안자가 반드시 유념해야 할 사항임
  
- 이를 위해서는 첫째, 정책설계는 합리적 지식과 적절한 믿음에 기초하여야 하며, 특히 그 사회의 근본적 가정과 일맥상통해야 함
  - 예컨대, 트러스 정부는 감세의 경제적 효과에 관한 학계의 일반적 견해와 공정성 논란을 인정하고, 특히 긴축이 영국 정치에 깊이 자리잡고 있다는 점을 고려하여 이를 극복할 수 있거나 최소한 적응할 수 있는 현실적 계획을 마련했어야 함
  
- 둘째, 제도의 혁신은 그 핵심이 되는 제도(focal institution)뿐만 아니라 그것과 상보적인 관계에 있으면서 기존의 관념을 내재화하고 있는 제도들을 종합적으로 고려하여 이뤄져야 함
  - 예컨대, 트러스 정부는 조세 시스템의 혁신에만 집중하였지만 이와 관련되어 있으면서 긴축을 구체화하고 있는 재정규율, 영란은행 등을 변화시키는 것에 대해서도 전략을 세울 필요가 있었음
  
- 셋째, 정책입안자는 단순히 대중에 호소하기보다는 사회 내 영향력 있는 행위자를 지지세력으로 포섭하고 유리한 프레임을 선점하는 등의 적절한 연합구축전략(coalition building strategy)을 구사할 수 있어야 함

- 예컨대, 트러스트 정부는 영향력 있는 행위자들을 자기 편으로 끌어들이고 미니버짓을 자신들의 언어(예: 공급주도 성장)가 아닌 대중의 언어(예: 번영, 결단)로 표현할 필요가 있었음

## 제6장 결론

- 본 연구는 사회적 갈등이 격화하고 있는 포스트코로나 시대에 정부가 정책을 어떻게 전략적으로 관리해나가야 하는지에 답하기 위하여 정책철회의 사례인 영국의 미니버짓을 연구함으로써 정책입안자에게 유익한 정책제언을 제공하고자 하였음
  
- 정책철회는 정책입안자가 이미 공식화된 정책을 정책 합법화 또는 집행 이전에 반전시키는 의사결정을 말함
  - 정책철회의 변수로는 정책공식화 단계에서 집권세력의 관념을 들 수 있고, 정책반전 단계에서 새로운 관념의 힘과 기존 관념의 힘 사이의 경쟁을 들 수 있으며 이러한 관념의 힘에는 관념 자체의 힘, 관념의 제도적 힘, 관념의 집단적 힘이 있음
  
- 본 에세이는 사례연구를 통해, 트러스 총리의 새로운 관념이 미니버짓의 공식화에 영향을 미쳤고, 새로운 관념과 기존의 관념 간의 경쟁에서 새로운 관념 자체의 힘이 기존 관념의 그것에 미치지 못하고 새로운 관념의 제도적 힘이 기존 관념의 그것에 미치지 못했으며 새로운 관념의 집단적 힘이 기존 관념의 그것에 미치지 못하면서 이것이 미니버짓의 반전에 영향을 미쳤다는 가설을 증명하였음
  
- 정책철회의 원인과 관련하여, 정책의 공식화는 제한된 대중적 지지 속에서 몇몇 집권세력의 정치적 힘에 의해 이뤄지고, 그 반전은 새로운 관념이 기존 관념보다 낮은 매력도를 가지거나 기존 관념이 현 제도에 견고하게 내재화되어 있거나 기존 관념이 새로운 관념보다 우월한 집단적 힘을 지닌 경우에 이뤄질 가능성이 높음

- 정책변화는 관념적 힘을 동반하지 않는 경우 원래의 상태로 되돌려질 가능성이 높고, 정책변화를 설명할 때 외생변수에만 의존하기보다는 관념의 힘을 중심으로 다양한 변수를 종합적으로 고려하여야 하며, 정책변화의 연구는 새로운 정책뿐만 아니라 기존의 정책에 대해서도 충분히 이뤄져야 함
  
- 따라서 정부는, 특히 포스트코로나 시대를 맞이하여, 정책을 공식화하는 것에 그치지 않고 이것이 실현, 즉 합법화, 집행까지 이어지도록 하는 데 필요한 관념적 힘을 충분히 구비해야 함
  
- 이를 위해 정책설계는 합리적 지식과 적절한 믿음에 기초하면서 사회의 근본적 가정과 일맥상통해야 하고, 제도의 혁신은 종합적으로 이뤄져야 하며, 전략적인 옹호연합 구축을 위해 노력하여야 함