

**How to keep the dead thing alive?
The life cycle of the European Union emissions trading**

The European Union Emissions Trading Scheme (EU ETS) has been in place since 2005. It is the main pillar of the EU's climate policy but it is also known for its low environmental effectiveness as a governance tool. This presentation is based on a paper (work in progress) which examines how the EU ETS has been kept alive while many times proved to be dead. By combining the sociology of markets with the sociology of expectations, the paper looks at the EU ETS as a governance innovation and a new market field to examine how policy actors and financial actors kept the EU ETS alive. The policy actors engaged in reforming the ETS by scaling the ETS up to re-state the promise of ETS's environmental effectiveness, they justified its failures by allocating blame to technicalities or to the alliances between governments and the incumbent actors and performed the future of ETS through production of price predictions (of emission allowances, industries products and electricity). The financial actors kept ETS alive by engaging in trade and in production of new financial products. The paper contributes both to social studies of carbon markets by examining the dynamics of its life-cycles and change, and to the social studies of innovations by examining a particular case of a market-based governance innovation with the contradictions that it entails.