Do city climate plans reduce emissions?

Interesting paper from the *Journal of Urban Economics* (May 2012) suggests that climate change plans tend to be introduced by 'greener' cities to codify things they would have done anyhow. This suggests that, e.g., forcing other cities to adopt climate change plans wouldn't have much impact on emissions.

From the abstract: "More than 600 local governments in the US are developing climate action plans that lay out specific measures to reduce emissions from municipal operations, households and firms. To date, however, it is unclear whether these plans are being implemented or have any causal effect on emissions. Using data from California, I provide the first quantitative analysis of the impacts of climate plans. I find that cities with climate plans have had far greater success in implementing strategies to reduce greenhouse gas emissions than their counterparts without such plans. For example, they have more green buildings, spend more on pedestrian and bicycle infrastructure, and have implemented more programs to divert waste from methane-generating landfills. I find little evidence, however, that climate plans play any causal role in this success. Rather, citizens’ environmental preferences appear to be a more important driver of both the adoption of climate plans and the pursuit of specific emission reduction measures. Thus, climate plans are largely codifying outcomes that would have been achieved in any case."

My SERC colleague Max Nathan suggests one possible objection. It could be that local preferences might be shaped by previous plans, or discussion of future plans, or more general 'political leadership' that helps shape public opinion over a long time period. In that circumstance, environmental preferences are 'bad controls'. Producing the plan (or earlier plans) changes preferences which explains both the plan and the actions to reduce emissions. That said, I don't know of any evidence to support this specific objection (although not my area of expertise). Personally, I'd give more weight to the empirical finding - of no effect of the plans - than to the theoretical objection.

[For those without journal access, I couldn't find a pre-print on the author's home page although he may be able to provide one.]

[Update: Adam Millard Ball - the author - points out to me that he did try testing for the 'preferences' possibility using historical preferences and got essentially the same result. That strengthens the argument that plans had no effect.]