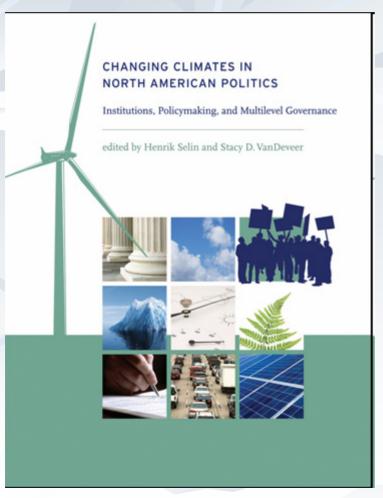
## Changing Climates in North American Politics

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# Three North American Federal Systems



- 3 federal states with some sub-national environmental and energy authority
- Contested climate and energy policy authority in all 3 countries
- Climate change policy making ongoing in many states, provinces, municipalities and firms

#### **Four Research Questions**

- 1. What are the new or emerging institutions, policies, and practices in the area of climate change governance under development in North America?
- 2. What roles do major public, private, and civil society actors play, and how do they interact to shape policy and governance?
- 3. Through which pathways are climate change policies and initiatives diffused across jurisdictions in North America?
- 4. To what extent can North American climate change action be characterized as existing or emerging multilevel governance, and are local and federal institutions across the continent facilitating or impeding this process of change?

## Q #1. Emerging Institutions, Policies and Practices

- National governments and policy makers in Canada, the United States and Mexico are engaged in building limited domestic and transnational institutions for GHG mitigation and climate change research
- Much of the most significant North American institutional innovation in the post-Kyoto decade has taken place below federal organizations
- It is necessary to look to states, provinces and municipalities to find the most ambitious policy developments in North America

## **Sets of Policy Choices**

- Command/Control Regulation of emission sources, energy production, goods, etc.
- Enacting <u>taxes</u> on emissions, different kinds of energy and goods
- Creating <u>new markets and market based</u>
   <u>instruments</u> including cap and trade schemes
- Using <u>subsidies</u> to support research and development, renewable energy generation, the purchase of greener products

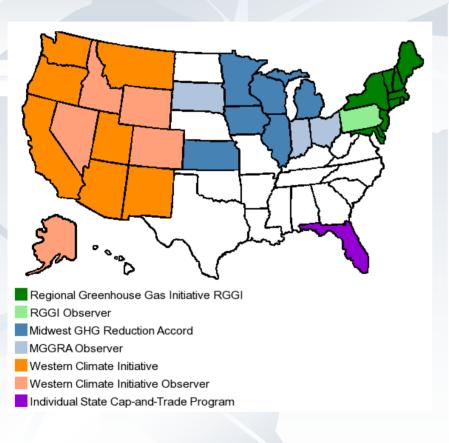
## Q #2. Roles of Public, Private and Civil Society Actors

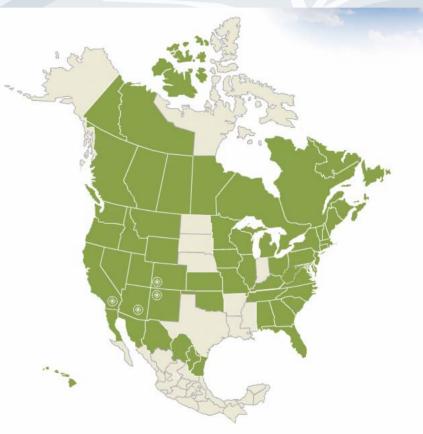
- Networked collaboration between a growing number of private- and public-sector actors significantly influences policy developments
- Much climate change action is driven by networked actors as new institutions help to form and maintain new and expanded networks
- Social interaction serves to identify and shape interests and preferences of actors across public, private, and civil society sectors

#### **Networks and Organizations**

- There are a host of important local, regional, national and continental networks
- Networks use old and new organizations to facilitate interaction, including:
  - NEG-ECP
  - ICLEI
  - U.S. Conference of Mayors
  - Federation of Canadian Municipalities
  - The Climate Registry

### Regional US & North Am. Examples





## **Expansions of Regional Efforts**

- Six New England states and five Eastern Canadian provinces
- RGGI covering ten states from Maryland to Maine
- Western Climate Initiative (also including Canadian provinces)
- Mid-West GHG Reduction Accord

## Q #3. Pathways of Policy Change

- Climate change networks influence policy developments at various levels of authority through four pathways of policy change:
  - (1) Strategic demonstration of action feasibility
  - (2) Market creation and expansion
  - (3) Policy diffusion and learning
  - (4) Norm creation and promulgation

#### **Bottom-Up Pressure**

- Networked actors exercise influence within and across different levels of political authority
- Local level policy making is likely to have an impact on future federal policy
- RGGI setting important precedents for GHG emissions trading
- California developing a portfolio of policy responses, including for energy and vehicles

#### Q #4. Status of Multilevel Governance

- Multilevel climate change governance is developing in North America
- Policy making efforts at multiple governance levels are becoming more ambitious in terms of scope and mitigation goals
- Four possible scenarios for developing multilevel governance based on high/low combination of federal and sub-national policy making

about appropriate levels of

policymaking and implementation

#### **Complex Multilevel Coordination**

- Complex multilevel coordination is most likely
- Federal governments set mandatory policy floors allowing actors and jurisdictions to exceed regulations and standards
- Sub-national policy making continues apace among leaders who exceed federal requirements
- Continental climate change governance is characterized by debates about appropriate levels of policymaking and implementation

#### The North American Context

- Little trilateral cooperation and debate between Canada, the United States and Mexico around climate change
- Public officials, firms and citizens could reap benefits of continental climate change governance
- Four sets of potential benefits for North American societies of enhanced continental governance:
  - Policy learning
  - Economic efficiency
  - Meeting adaptation challenges
  - Exercising leadership

#### **Gaining From Policy Learning**

- Many European Union lessons are applicable also to North America
- Public, private and civil society actors are eager to learn about successes and failures
- Experimentation with policy solutions in search of appropriate and cost-effective measures
- GHG reduction efforts and renewable energy expansion in integrated markets
- North American efforts to promote policy learning may use both existing and new fora

#### Capturing Economic Efficiency Gains

- NAFTA establishes a free trade zone where economic decisions are interconnected
- Economies of scale important in the development of energy sources and less-carbon intensive technologies
- A continent wide carbon market would capture efficiency opportunities and lower transaction costs
- North American standards would expand the continental markets for more energy and fuel efficient products
- Continental regulations help prevent a "race to the bottom" and aid cross-border energy collaboration

#### **Meeting Adaptation Challenges**

- Expanded continent-wide climate governance will help North American societies to prepare for common adaptation challenges
- Major issues include ecosystem health, freshwater, coastal erosion, forestry, agriculture, and fisheries
- Many intelligence and military analysts argue that climate change creates new regional, longterm security challenges
- Both national security and human security issues need to be addressed

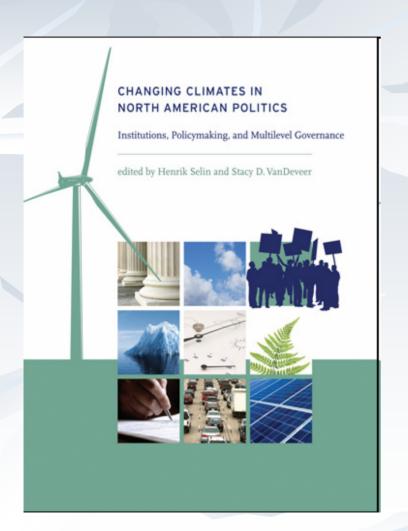
#### **Exercising Leadership**

- North American action can help the region's societies meet political and economic challenges posed by the EU, China and India
- North American collaboration serve as a model for expanding the list of countries taking GHG reductions and adaptation measures
- Enhance the global leadership position of the US, Canada and Mexico similar to how the EU benefit from speaking as a region

## Continental Governance as the Way Forward

- North American cooperation offers opportunities for mutual short and longer term benefits
- Reduce the costs of climate change policy action capturing efficiency gains
- Avoid NAFTA region trade obstacles and domestic protectionism
- Promote much needed long-term thinking around climate and energy issues

#### Thank You!



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