

# Private Governance Approaches to Climate Change

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## Introduction

- Scholars in many fields have noted that government gridlock exists at the national level on multiple issues, but no issue is subject to greater gridlock than climate change.
- Climate change mitigation is second only to health care as the most ideologically polarizing issue among US voters, and it is also subject to gridlock at the international level (Vandenberg & Gilligan, 2015). Drawing on research in law, social psychology, economics, and behavioral science, our interdisciplinary research team has developed a novel approach that bypasses the climate gridlock by focusing on private governance initiatives.
- Private environmental governance occurs when private organizations pursue traditionally governmental functions, such as managing common pool resources and reducing negative environmental externalities. Private climate initiatives use non-intrusive, cost-effective methods to generate large carbon emissions reductions, buying time for a more comprehensive government response to develop.

## Current Research

Our team is investigating private governance approaches to climate change through a number of lines of research, two of which we detail here:

- (1) Exploring employer efforts to influence the energy and environmental behaviors of employees outside of work (called employee energy benefits), which may be included as part of an employee's benefit package (e.g., offering employees subsidies for home solar panels or hybrid cars), or they may be used as separate rewards for employees' voluntary efforts to change their energy use behaviors outside of work (e.g., rewards for carpooling).
- (2) Examining the public's perception of private governance approaches to climate change, including how political ideology may influence individuals' preferences for private governance.

## (1) Studying Employee Energy Benefits

- Through a search of the academic literature and company reports, and the collecting of nationwide survey data from 482 full-time employees, we explored which types of employers were most likely to offer employee energy benefits (EEBs), which target the environmental behavior of employees outside of work, as well as the types of EEBs that have been offered (Table 1) and how EEBs relate to employee behaviors and morale.
- Of the 482 participants, 82 reported working for an employer who offered some sort of EEB (17%). Of those 82 individuals, 52 (63%) reported participating in those EEBs.
- When examining the percentage of individuals in each industry who worked for an employer offering EEBs, the industries most commonly offering the benefits were state and local government (20% offered), other (18%), health care/education (18%), and professional/banking and finance/information technology (17%).

Subsidies	Incentives	Transportation Support	Information	Other
Offer discounts for solar panels	Provide rewards for carpooling	Reserve preferential parking for carpools	Provide informational pamphlets, newsletters, or internal websites	Support working from home
Offer discounts for hybrid cars	Offer discounts, rewards, or free passes for taking the bus	Organize carpooling to work programs	Offer classes/courses	Host local farmer's markets
Offer discounts for home energy audits or retrofits	Provide rewards for people who walk or bike to work	Reserve preferential parking for hybrids	Provide carbon footprint calculators	Organize environmental volunteering opportunities
	Use competitions, quizzes, or games to incentivize home behavior change	Host electric car charging station	Offer access to energy use feedback software	Encourage donations/dollar-for-dollar matching
	Offer discounts for other "green" products (e.g., recycled goods, organic food)	Provide free bike storage		
	Provide free energy efficient lightbulbs	Organize guaranteed rides home for people who miss the bus		
		Organize shuttle service to work/ between work sites		

Table 1: Types of employee energy benefits targeting home energy and environmental behaviors

- The most common benefits were allowing employees to work from home (43%) and organizing carpooling programs (40%); the least frequent types of benefits included giving away energy efficient light bulbs (13%) and using competitions, quizzes, or games to encourage conserving energy or water at home (13%).
- We found that people who enrolled in EEBs reported that EEBs were between "somewhat" to "moderately" influencing their environmental behaviors at home and work (energy behavior at home:  $M = 3.35$ ,  $SD = 1.44$ ; environmental behavior at home:  $M = 3.19$ ,  $SD = 1.44$ ; energy behavior at work:  $M = 3.10$ ,  $SD = 1.70$ ; environmental behavior at work:  $M = 2.98$ ,  $SD = 1.54$ ).
- We also found employees who were offered EEBs tended to be more satisfied with their positions ( $r = .12$ ,  $p < .01$ ).

## (2) Studying Public Perceptions of Private Governance

- Using a nationwide sample, we randomly assigned 1,128 US adults to read a message about (1) private governance approaches to climate change, (2) public governance non-tax approaches to climate regulations, (3) or a nationwide carbon tax.
- In general, people who read about private governance approaches to climate change were more supportive of private governance approaches, and believed them to be more effective and feasible, compared to people who read about either public governance approaches or a nationwide carbon tax ( $p < .01$ ).
- This was particularly true for political conservatives, as reading about private governance made conservatives more likely to state that carbon emissions should be reduced, and private governance approaches were the ideal way to reduce such emissions ( $p < .05$ ).

## Conclusions

- Few initiatives are exploring solutions that may be attractive to members of the public who are wary of government solutions to climate change.
- By focusing on the role that private organizations can play, we have found evidence both for the existence of employer efforts to influence employee environmental behaviors, and ways to effectively frame private governance approaches, representing attractive ways to reach a diverse array of citizens.

## Reference and Notes

Vandenberg, M. P., & Gilligan, J. M. (2015). Beyond gridlock. *Columbia Environmental Law Journal*, 40, 217-303.

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