Reclaiming the Atmospheric Commons. The Regional Greenhouse Gas Initiative and a New Model of Emissions Trading by Leigh Raymond, MIT Press, 2016¹.

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Over the last decades, as governments started to address the issue of climate change, many interesting policy experiments took place and have included an increasing number of regional, national, and sub-national carbon pricing mechanisms—an approach using economic incentives to encourage changes in behavior and investments to reduce greenhouse gas (GHG) emissions. While Northern European countries have early on implemented carbon taxes, most governments that have engaged with carbon pricing, including the European Union, have opted for emissions trading (also known as cap-and-trade). Since then, the momentum has been growing with the latest World Bank’s *State and Trends of Carbon Pricing Report (2017)* observing 42 national and 25 subnational carbon pricing policies implemented or scheduled—covering about 15 percent of the world GHG emissions—the majority of which are emissions trading systems.

Students of climate policy know this narrative and have come to expect it in books and articles on the subject. What is less known, especially outside North America, is that despite the failed attempts to implement carbon pricing at the federal level in the United States, local governments—states and cities—have implemented, a wide variety of climate policy experiments, with varying degrees of success, including emission trading systems. The Regional Greenhouse Gas Initiative (RGGI), which journey, from formulation to implementation, is chronicled by Raymond’s *Reclaiming the Atmospheric Commons*, is one of the two regional cap-and-trade systems that have, so far, stand the test of time—the other one being the California lead *Western Climate Initiative*, in which the Canadian provinces of Quebec and Ontario are also active participants. RGGI includes nine participating states—Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island and Vermont and has over the last few months experienced what some have described as a renewed momentum, with recent debates in Virginia over whether the state should partner with RGGI and the decision of New Jersey Governor Phil Murphy to start the process to rejoin the regional cap-and-trade system, after the 2011 decision of then Governor Chris Christie to withdraw.

Despite covering only facilities in the electricity sector and relying on a modest carbon price, RGGI states auction close to 100 percent of their carbon allowances, forcing regulated facilities to bid against one another to secure the emission credits they need to comply with their state’s cap-and-trade regulation. Although auctioning all allowances is often considered in the design phase of cap-and-trade systems, only RGGI states have followed that recommendation. This is what Leigh Raymond describes as the “RGGI revolution.”

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² The views expressed here are solely those of the author in his private capacity and do not in any way represent the views of the Government of Canada, Natural Resources Canada or any other federal department or agency.

Raymond further argues that the success of the RGGI experiment, and its durability, is in good part due to the fact that participating states have reinvested the \$2.2 billion dollars of revenues that they have generated (as of 2014) through the cap-and-trade system in programs that provide benefits to their residents, including electricity bill subsidies and energy efficiency audits. According to Raymond, these public benefits are a consequence of the conscious efforts of environmental groups and policy-makers to engage in the normative reframing of the RGGI experiment. Instead of only arguing that the RGGI cap-and-trade is an “engine of regional economic growth,” RGGI supporters have emphasized the public ownership of the atmospheric commons and the obligation of private companies to pay for using it (the well-known polluter pays principle). The author argues that the public benefits frame was ultimately more effective at convincing elected officials, and the public in general, of the appropriateness of the cap-and-trade system.

Using the example of RGGI, Raymond contends that normative reframing, and norms more generally, can be used to explain abrupt policy changes. Up to this point, the author points out that such norms have generally been used in the public policy literature to explain the absence of change, for instance when shared normative framework help bind coalitions together in the advocacy coalition framework.

Reclaiming the Atmospheric Commons also contributes to the debate that has emerged in the climate policy and carbon pricing literature over what are the factors that contribute to shaping the design of carbon pricing instruments. While many previous contributions have focused on the importance of interest group politics to understand carbon pricing design, the author argues that the successful use of normative reframing by individuals and groups supporting carbon pricing is a more satisfactory explanation.

Reviewing recent instances of carbon pricing in the United States and abroad, Raymond observes that three broad categories of public benefits have emerged: consumer benefits, climate protection benefits, and public health benefits. While consumer benefits focus on direct rebates or subsidies to consumers, as emphasized in the RGGI states, climate protection benefits include infrastructure spending and research to mitigate the impacts of climate change, an approach stressed in the European Union. Finally, public health benefits, including the reduction of conventional atmospheric pollutants, have been important in federal US climate policy, especially in the unsuccessful Waxman-Markey bill, a legislation that would have implemented a federal carbon pricing system. Raymond concludes that, in general, carbon pricing policies dedicating their revenues to public benefits have been more accepted politically than the ones that have blend revenues with general government expenditures or provided free allowances to industry.

Leigh Raymond’s *Reclaiming the Atmospheric Commons*, the only book-length study devoted to the RGGI carbon market currently available, will be avidly read by researchers investigating climate policy and scholars interested in the role of norms in shaping public policy. Offering policy recommendations for carbon pricing design, and evidence to support them, the book will also be useful to a wide audience of policy actors. The book also provides a historical overview of the development of cap-and-trade systems, allowing readers unfamiliar with the

topic to grasp the main concepts related to carbon pricing. Therefore, it would be an interesting addition to advanced undergrad or graduate courses in public policy, environmental politics, or climate policy. Readers interested to study North America carbon pricing experiments in a more comparative perspective will also want to consult Barry G. Rabe's forthcoming book *Can We Price Carbon?* also from the MIT Press.