Does Climate Change Policy Have Regressive or Progressive Distributional Effects? Insights From a Priority Evaluator Experiment

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Efforts to implement urgently needed, ambitious climate policies are hampered by controversy about potentially regressive distributional effects of such policies. Regressive means that such policies could result in disproportionate costs for lower-income citizens and consumers. We study this issue bottom-up by exploring how individuals across different income groups and initial carbon footprint levels evaluate and trade-off various behavioral changes and financial costs when having to reduce individual emissions as a result of more stringent climate policy. Specifically, we study how individuals are likely to respond when tasked with reducing their carbon emissions to a level that is compatible with net-zero goals. We do so by combining a carbon calculator that estimates individualized emissions and a novel priority evaluation-based methodology, which are implemented in an online survey amongst a population-representative sample of Switzerland (N=5941). This approach involves a highly individualized and interactive choice task that allows each individual to develop a set of behavioral responses and mitigation pathways to reach a personalized reduction target. The choices made are analysed with a multiple discrete-continuous extreme value (MDCEV) model. First modelling results will pe presented at the STRC.