

From the Global to the Local and Back Again: Analyzing The City
of Toronto's Climate Change Response*

Ajay Sharma

Asharm4@uwo.ca

Ph.D. Candidate
Department of Political Science
University of Western Ontario

For Presentation at:
The Annual Meeting of the Canadian Political Science Association
University of British Columbia
British Columbia, Canada
June 4 – 6, 2008

[Draft - Comments Welcome]

Not for quotation or citation without the permission of the author.

* I would like to thank Drs. Andrew Sancton, Robert Young and Martin Horak for their invaluable guidance, patience and insight. Generous financial support was provided by the Canada Research Chair in Multilevel Governance and the SSHRC MCRI Research Project on Multilevel Governance and Public Policy in Municipalities (www.ppm-ppm.ca). All errors remain mine alone.

Introduction:

Traditionally, it has been assumed that the federal and provincial levels of government in Canada have the most important role, if not the only role to play, in both funding research and implementing policies that seek to reduce domestic greenhouse gas emissions. Since signing onto the Kyoto Protocol in 1997, however, federal-provincial negotiations have failed to produce a consensus on how global warming issues are to be addressed. In the absence of federal and provincial leadership, urban municipalities have developed various strategies to mitigate the impact of climate change. The Federation of Canadian Municipalities [FCM] argues that approximately fifty-five per cent of Canadian greenhouse gas emissions can be influenced by municipal government actions. Urban municipalities have in most instances voluntarily implemented various measures that include changing land-use regulations, improving public transit and reducing methane-producing landfill waste. While the fight against climate change is a relatively new issue for urban municipalities, there is a growing awareness that they have an integral role to play in Canada's national climate change policy regime. The prominence of the municipal role in Canada's climate change response has increased markedly over the course of the past five to ten years. A brief examination of municipal press releases, policy agendas and various media coverage demonstrates the extent to which climate change policy has been integrated into the municipal arena.

This development presents a unique paradox for established theories of political science. First, theories of collective action, principally the Olsonian paradigm, lead us to believe that voluntary action cannot allow for the emergence of an effective climate change response, especially at the municipal level. This assertion is supported by at least three mutually supportive factors – scale, reciprocity and effectiveness. The logical conclusion of the Olsonian paradigm informs us that municipalities that pursue this course of action are acting irrationally. Second, the work of public choice theorists such as Paul Peterson delineates a specific policy role for municipalities. Peterson (1981) argues that a municipality's primary objective should be economic development. According to public choice theory, the pursuit of redistributive strategies is an irrational policy decision to take. Theories of collective action and public choice do not envision municipalities to lead the Canadian climate change response. Yet, municipalities are doing precisely that which these approaches label as irrational.

In light of these theoretical considerations, this paper seeks to identify those factors that can help explain why municipalities choose to implement a climate change agenda. To help accomplish this task the paper focuses on the City of Toronto, regarded as the birthplace of the municipal climate change response. Since 1988 the City has strongly advocated the position that municipalities are critical components of any global climate change response. It has positioned itself at the forefront of the municipal climate change arena through its leadership, innovation and involvement with organizations such as the 'Clinton Climate Change Initiative', the 'C-40 Large Cities Climate Initiative', and the 'International Council for Local Environmental Initiatives'. In sum, Toronto offers a promising starting point from which we can begin to understand the processes that lead to a municipality adopting a climate change agenda. Preliminary research findings suggest

that there are at least three potential explanations¹ that account for why this policy position is adopted. They are:

1. The “Follow the Leader” mentality - A municipality ‘takes the lead’ in an attempt to induce increased collective action.
2. The presence of a strong environmental lobby directs the municipality to adopt a climate change agenda regardless of what neighbouring municipalities do. A lack of collective action does not prevent policy advancement.
3. Altruistic municipalities conclude that they are compelled to ‘confront’ climate change. Regardless of what other jurisdictions do, the municipality has concluded it has the resources to provide a public good that taxpayers outside of its jurisdiction can enjoy. In this scenario, free-riding is tolerated.

Before proceeding any further, it is important to stress that these preliminary findings are based on my analysis of one case study. While the ultimate conclusion of this research project may confirm the utility of these findings such that they can be applied to other municipalities, this position should not be taken at this juncture. To more accurately determine why municipalities choose to implement a climate change agenda, additional systematic case study analysis is required, the results of which I look forward to sharing in similar forums for discussion.

The Municipal Response to Climate Change: A Brief Overview

A key question in the scholarly literature centres on what level of government – federal or provincial - should be charged with the responsibility of implementing climate change policy. Advocates of federal responsibility emphasize economies of scale in studying environmental problems and developing complex standards, the ability of the federal government to respond to inter-provincial spillovers, and the importance of national standards. Proponents of greater provincial responsibility argue that provincial governments have a more intimate knowledge of local problems and can tailor solutions to local circumstances accordingly - the pursuit of “one solution for all common problems” is argued to be shortsighted and too easily designed, and that optimal solutions will remain elusive at the federal level. By most accounts, the intractability that characterizes the contemporary climate change debate in Canada seems destined to continue. Climate change is a relatively new issue for municipalities in Canada and in many quarters is still perceived as an issue that falls under the jurisdiction of higher levels of government. As creatures of the provinces, Canadian municipalities often take

¹ The larger research project investigates the viability of four additional explanations. They are:

1. Municipalities rationally conclude that ‘sustainable economic development’ will provide more substantive long-term economic benefits.
2. The pursuit of climate change policy is a relatively cost-effective approach that allows a municipality to re-shape its image with a view to capturing local voter support and/or potential investment from leading edge business sectors.
3. The threat of future provincial directives may legally compel municipalities to form a climate change response. By acting early, municipalities are jumping ahead of the process and determining their own best course of action.
4. Funding from higher levels of government provides an opportunity structure to pursue a climate change agenda.

their political leads from provincial mandates. However, the municipal response to climate change in Canada suggests that this dependency is gradually weakening through the proactive stances taken by Canadian municipalities.

Localizing the language of global climate change has been shown to be the most important first step in developing a municipal response to global warming. Lambright *et al.* (1996: 464) note a growing awareness among municipal governments that cities have an important role to play in reducing greenhouse gas emissions. This development, they contend, has led to the formation of a number of municipal global warming networks and the formulation and implementation of municipal action plans in some cities. The foremost of these is 'The International Council for Local Environmental Initiatives' [ICLEI]. ICLEI has been cited as playing a pioneering role in helping to transform the rhetoric of global climate change politics into actual policy that can be implemented at the local level. ICLEI regards municipal governments as critical players in any attempt to implement national and international policy imperatives to reduce emissions of greenhouse gases.

Through its 'Cities for Climate Protection' [CCP] program, ICLEI enlists cities to adopt and implement measures to achieve quantifiable reductions in local greenhouse gas emissions, improve air quality, and enhance urban livability and sustainability (<http://www.iclei.org/index.php?id=800>). More than 650 local governments from nations such as Canada, Japan, England and the United States participate in the CCP, integrating climate change mitigation into their everyday decision-making processes. The CCP program is premised on the assumption that the barriers to local action on climate change are primarily due to a lack of information. The network is organized around the production and dissemination of technical information about local contributions to climate change, measures that can be taken locally to address the problem, and the potential co-benefits. Once signed on to the program, members commit to passing through five milestones (Bulkeley and Betsill 2003: 51):

- Conduct an energy and emissions inventory and forecast;
- Establish an emissions reduction target;
- Develop a local action plan to achieve that target;
- Implement policies and measures;
- Monitor and verify results.

By adhering to the voluntary CCP framework, members share the normative goal that climate change is a problem and its impacts can be mitigated through action at the local level.

Sustainable development, as Elliot (1988) notes, has become the common currency through which environmental issues are contested and constructed. This concept, brought to life with the publication of the Brundtland Report in 1987, highlights the importance of local action as a means of securing global sustainable development. Bulkeley and Betsill (2003: 2) identify four factors that illustrate why municipal governments are in an ideal position to address climate change within the rubric of sustainable development:

- Cities are sites of high consumption of energy and waste. The influence of local authorities over these processes varies with national circumstances but

can include: building requirements, waste management, and offering advice to the local community.

- Local authorities have been engaging with issues of sustainable development and attempting to translate global rhetoric into local practice in ways that have implications for the mitigation of climate change.
- Local authorities can facilitate action by others in response to climate change, both by lobbying national governments as well as by developing small-scale demonstration projects to illuminate the costs/benefit of controlling green house gas emissions.
- Local authorities have considerable experience in addressing environmental impacts within fields of energy management, transport and planning, and many have undertaken innovative strategies to reduce their impact on climate change.

Through its partnership with the Federation of Canadian Municipalities [FCM], ICLEI delivers the 'Partners for Climate Protection' [PCP] program in Canada. This partnership, argue Robinson and Gore, has been pivotal in assisting municipalities achieve greenhouse gas reductions (2005: 106). Owing in large part to the increased salience of the environment in Canadian politics, Canadian membership in ICLEI is highly significant both in terms of numbers and, more importantly, diversity of representation. As is to be expected, major Canadian cities – for example, Calgary, Montreal, Toronto, Ottawa, and Vancouver – are members of ICLEI. However, we also find considerably smaller municipalities such as Abbotsford, Gander, Lindsay, and Whitehorse holding membership in ICLEI. At a purely superficial level, this diversity of membership can be taken to suggest that regardless of population size, economic base, and geography, Canadian municipalities are paying greater attention to global environmental concerns such as climate change.

The Disjuncture between Theory and Practice

While municipalities have been lauded for their proactive policy decisions, the effectiveness of a municipal response to climate change can be challenged on several fronts. First, from a rational choice perspective, it makes little sense for a city government to commit resources to control its greenhouse gas emissions as there is no assurance that voluntary local action will have a measurable effect on the overall threat of global climate change. Second, there is considerable debate surrounding the appropriate type of policy that a municipality should pursue. Public choice theorists argue that policies adopted by a municipality will be constrained and shaped by how those policies affect the municipality's overriding objective of promoting economic growth. Peterson (1981), for example, argues that municipal governments should focus on promoting economic growth and development, as opposed to redistributive policies that fall under the competencies of higher levels of government due to scale and cost. Two notable concerns emerge if we are to accept this proposition. First, it appears logical to conclude that the link between climate change policy and economic growth is highly tenuous to the extent that the two may even be mutually incompatible. Second, municipal policy-makers are acting irrationally as the pursuit of economic development is now secondary to the municipality's climate change response. As simplistic as this reasoning may

appear, it does prompt us to question the public choice perspective and ask the following: To what extent are these concerns an accurate reflection of the municipal climate change response?

Notwithstanding the salience of economic arguments, the rational choice perspective posits that the logic of collective-action presents the most significant and problematic barrier to the realization of an effective municipal climate change response. By implementing climate change policies, municipalities are in essence providing a public good; that is, attempting to limit the undesired effects of climate change on the public through municipal policy (Ostrom and Ostrom 1971). The provision of public goods through a voluntary framework inevitably leads to some form of “free-riding”. While municipalities may recognize the long-term global benefits of adopting these policies, they are free to, and in most cases do, pursue different policy agendas while benefiting from the actions of others. Consequently, proactive municipalities are burdened with a disproportionate share of the financial costs associated with policy implementation. This scenario raises the question of whether the best interests of a municipality are served by pursuing a voluntary climate change agenda.

With the publication of *The Logic of Collective Action* in 1965, Mancur Olson challenged the assertion that groups would tend to form and take collective action whenever members would benefit from the provision of a public good. Instead, Olson argued that:

[U]nless the number of individuals in a group is quite small, or unless there is coercion or some other special device to make individuals act in their common interest, *rational, self-interested individuals will not act to achieve their common or group interests*. In other words, even if all of the individuals in a large group are rational and self-interested, and would gain if, as a group, they acted to achieve their common interest or objective, they will still not voluntarily act to achieve that common or group interest (Olson 1965: 2).

The importance of Olson’s argument cannot be overstated; it continues to inform the academic debate on the logic of collective action. A cursory overview of the literature reveals an intuitive, but highly significant, conclusion: if the benefits of a public good can be obtained through non-participation, it is entirely rational to enjoy the public good through the process of free-riding. Put differently, those who do not purchase or pay for any of the public or collective goods cannot be excluded or kept from sharing in the consumption of that good, as they can where non-collective goods are concerned (Olson 1965: 15). Elinor Ostrom, writing three decades after Olson, comes to a similar conclusion and argues:

In a public-good dilemma, for example, all those who would benefit from the provision of a public good – such as pollution control, radio broadcasts, or weather forecasts – find it costly to contribute and would prefer for others to pay for the good instead. If everyone follows this equilibrium strategy, then the good is not provided or underprovided. Yet everyone would be better off if everyone were to contribute (Ostrom 1998:1).

The logic of collective action is by most accounts the primary barrier² that continues to undermine the effectiveness of the voluntary climate change regime that is emerging at the municipal level in Canada. Kousky and Schneider however, argue that the large number of cities involved with the CCP campaign demonstrates that free-riding at the local level has been much less of an impediment than theorized (2003: 360). While this may hold true, they do not effectively discuss the extent to which proactive municipalities in their research may have scaled back their climate change policies when confronted with the problem of free-riding. The clear problem with such collective benefits is that they cannot be withheld from nonparticipants in the CCP. Hardin (1968) sees the authority of government as the key remedy to the shortcomings of decentralized choice. Because everyone may want the collective good supplied or, as in the “Tragedy of the Commons”, protected, an imposed policy may win unanimous support. Olson offers a similar view and argues:

...common group objectives will not be advanced unless there is coercion to force them to do so, or unless some separate incentive, distinct from the achievement of the common group interest is offered to the members of the group individually on the condition that they help bear the costs of burden involved in the achievement of the group objectives (Olson 1965: 2).

In the Canadian context, this can be taken to suggest that centralized directions from provincial governments, or provincially acceptable federal policy directions, are necessary to achieve effective collection action, especially at the municipal level. Taking into account the concerns raised in the preceding theoretical discussion, the remaining pages of this paper examine how the City of Toronto has constructed and institutionalized its climate change agenda over the course of the last two decades.

Toronto: A Beneficiary of Circumstance?

Toronto is widely regarded as *the* epicentre of the contemporary global climate change movement. The specific catalyst or trigger point that led to this was the ‘Changing Atmosphere’ conference that was held in Toronto in 1988. This was the first major international meeting that brought together national governments and scientists to discuss the risks associated with the increasing greenhouse effect. The conference culminated with the establishment of the “Toronto Target” – a non-binding voluntary agreement in which industrialized nations pledged to reduced carbon dioxide emissions to 20% below 1988 levels by 2005 (May 2002: 15). The importance of this event at the global level cannot be understated. It put in place the foundations and processes that led to the creation of the International Panel on Climate Change [IPCC] in November 1988, the United Nations Framework Convention on Climate Change [UNFCCC] in June 1992, the first Conference of Parties [COP] in March 1995 and ultimately the Kyoto Protocol in December 1997. Notwithstanding the unquestionable impact of these developments at the international level, the ‘Changing Atmosphere’ conference would also play a decisive

² Other barriers include: a lack of municipal finances; human resources; capacity, and; knowledge (Robinson and Gore 2005).

role in the formation of the municipal climate change response – a charge that was led by the City of Toronto.

Shortly after the culmination of the ‘Changing Atmosphere’ conference, Toronto City Council established a ‘Blue Ribbon Committee’ referred to as the *Special Advisory Committee on the Environment* [SACE] (Lambright *et al.* 1996: 466). In its first report to council in October 1989, SACE laid out the initial steps of Toronto’s carbon dioxide emission reduction strategy – an approach which can be viewed as a process of institutionalizing change (Harvey 1993:19). The key recommendations of the report resulted in the following actions:

- The City adopted the “Toronto Target” in January 1990;
- The City established an ‘Energy Efficiency Office’ in January 1991;
- The City established the ‘Toronto Atmospheric Fund’ in December 1992.

Although non-binding, the adoption of the “Toronto Target” served as an important organizing principle for action, as it kept the goal of reducing carbon dioxide emissions clearly within the political sphere. The sheer scale of developing a climate change response has historically impeded a more comprehensive municipal response. We are then left with the task of answering the following question: Due to the transboundary impacts of climate change, can municipalities play a substantive role? Such questions may result in an intuitively skeptical response, and this has been the case not only at the municipal level but across all levels of governance. This instinctive, if not healthy skepticism, was present during the deliberations the led to SACE recommendations:

Originally, many on the Committee doubted that the city could do anything substantial about this global problem. But once they began considering the possibilities, the Committee realized that any implementation of national or even international policies would come down to actions at the local level, where people lived, traveled, and worked (Lambright *et al.* 1996: 466).

With federal and provincial preferences undecided, it had become increasingly clear that the City was now in a position to direct the trajectory of its climate change response on its own terms.

From Symbolism to Implementation: The Early Years

Between 1988 and 1991, Toronto’s drive to solidify its position as a leader in the municipal climate change response increased considerably with the establishment of the ‘International Council for Local Environmental Initiatives’ [ICLEI]. ICLEI was originally conceived in 1989 when 35 local government leaders from Canada and the USA met to discuss the creation of an agency that could coordinate local government responses to global environmental problems (<http://www.iclei.org/index.php?id=748>). An agreement was endorsed with the UN Environment Programme to host the founding congress. Following the World Congress in September 1990 at the UN headquarters in New York, Toronto was selected as the location for the ICLEI World Secretariat. At a purely symbolic level, that Toronto chose to host and support ICLEI, reinforced the City’s aspiration to remain at the forefront of the climate change debate.

The presence of the ICLEI World Secretariat had a significant impact on the City's initial climate change policies. Ever cognizant of its position, the City integrated into its own approach the various policy frameworks developed by ICLEI. The first of these was the 'Urban CO2 Project' which would later evolve into the 'Cities for Climate Protection' [CCP] Program.³ Presented as a "collaborative research exercise" by ICLEI, the 'Urban CO2 Project' was designed to further local government commitments to reduce greenhouse gas emissions. This was to be accomplished by identifying key issues and develop testing methods that local governments could incorporate into their emissions reduction strategies (Kates and Torrie 1998: 40) - a process which would, once again, see Toronto move to the "head of the pack".

While adoption of the "Toronto Target" in 1990 was a symbolic milestone for Toronto, the City's commitment to the climate change cause was fortified with the creation of the Energy Efficiency Office [EEO] and the Toronto Atmospheric Fund [TAF] in January 1991 and December 1992 respectively. The creation of the EEO and the TAF created the necessary framework and environment to allow the City to transform pledges and commitments into actual policy implementation.

The EEO was charged with the responsibility for developing and coordinating the implementation of an energy efficiency and conservation strategy for Toronto. In its role as the "administrative spearhead" for CO2 reduction projects, the EEO initially focused on four initiatives:

- The development and implementation of a program to retrofit all city-owned buildings and facilities to improve energy efficiency.
- The development and implementation of a program to upgrade efficiency of street-lighting.
- To review proposals for new private and public-sector buildings with regard to energy and water use.
- To create an automobile program [the City would not accept cars into its fleet unless it minimized various pollutants, including CFCs] (Lambright *et al.* 1996: 467)

From 1991 to 1993, the City of Toronto required planning applications to meet minimum energy performance and to submit a report on proposed measures to reduce energy consumption and traffic impact. These requirements were dropped when the Ontario Building Code was upgraded to comparable standards – an outcome which the City believes it partly influenced (City of Toronto 1999: 28). The establishment of the 'Better Buildings Partnership' [BBP] in 1996 further institutionalized the City's commitment to reduce CO2 emissions. The BBP involves comprehensive energy efficiency retrofits and building renewal initiatives for all buildings in the City of Toronto in both the public and private sectors. In addition to projected environmental benefits, the City argues that pursuing this policy path will stimulate economic activity (City of Toronto 2007b: 13)⁴.

³ In 1995, ICLEI established the Cities for Climate Protection Campaign to accommodate the growing number of local governments committed to reducing greenhouse gas emissions. Currently, ICLEI reports that there are more than 692 participants in 31 countries currently enrolled in the CCP program. For further information please see: <http://www.iclei.org/index.php?id=809> <Last accessed 10th May 2008>

⁴ The City reports that since 1996, more than 600 private and public sector buildings have taken part in the BBP. By investing in energy efficiency retrofits, BBP participants have already invested more than \$160

Unlike the EEO, the TAF was created as a legally independent entity with a board of directors appointed by City Council – a decision taken to ensure that the TAF would remain beyond the reach of changing political attitudes. The creation of the TAF was made possible with an endowment of \$23 million from the City. The TAF mandate seeks to promote the following:

- Global climate stabilization through the reduction of greenhouse gas emissions such as carbon dioxide and methane;
- Local air quality;
- Energy conservation and efficiency;
- Public understanding of global warming and its implications for the urban environment;
- "Carbon sinks" such as Toronto's urban forest that absorbs carbon dioxide from the air;
- Related scientific research and technology development;
- Partnerships with non-governmental organizations, other levels of government, business and academic institutions
(<http://www.toronto.ca/taf/about.htm>).

Through its endowment, the TAF provides grants and loans and undertakes special projects to advance its mandate:

Working with all sectors of the community, and with city departments and agencies, TAF leverages its resources to develop innovative local actions that lead to significant emission reduction results. The City reports that on an annual basis, the TAF has approximately \$1.2 million available for grants and special projects. Up to \$8 million in financing is currently available for mandate-related loans (<http://www.toronto.ca/taf/>)

The impact of the TAF grants and loans program has been widespread (<http://www.toronto.ca/taf/grants>). For example, in 2007 the Toronto YWCA was granted \$50,000 over a period of 2 years to reduce energy costs for new affordable housing at its Elm Centre Facility. In 1994, ICLEI was provided with \$84,725 to support its 'Green Fleets' pilot project that investigated how Toronto and other cities could reduce transportation energy consumption in their vehicle fleets. In the only non-Toronto project, the TAF provided CARE Canada with \$200,000 in 1993 to plant 1.4 million trees in Honduras as a carbon trading pilot project. These four examples are indicative of the approach that the TAF has taken to fulfill its mandate.

The decision to create the EEO and the TAF is unquestionably a *pivotal* moment in the early years of Toronto's climate change response. These two entities provided the foundation on which Toronto could initiate broad-based policy agendas that sought to reduce the City's emissions. More critically, it reflected the extent to which the City sought to solidify its position at the forefront of the climate change movement. It had become clear that the City's commitment to reducing its anthropogenic impact on the

million in Toronto's economy. It is estimated that eventually the BBP could have a full-scale economic impact of \$3 billion in the city. However the City has yet to provide a timeframe within which such an impact would take place (City of Toronto 2007b: 13).

environment was, in a sense, non-negotiable. The events of the mid-to-late 90s would however pose clear dangers for Toronto's image a global leader on climate change.

1995 to 2003: Overcoming a Period of Transformation and Uncertainty

In January 1995 Toronto sought to become the location of the United Nations Secretariat for the 'Framework Convention on Climate Change'. Already home to the ICLEI World Secretariat, capturing the UNFCCC would cement Toronto's position as *the* nexus of the global climate change debate. Critical to Toronto's bid was the support of the Liberal federal government of Jean Chrétien. Toronto had already lost out on being chosen for the site of the environmental commission under the North American Free Trade Agreement [NAFTA] in March 1994 when the Chrétien government chose Montreal as the site of the commission – a decision, which according to media reports, was based purely on political considerations (Crane 1995).

The high level of elite support in Toronto was reflected in the combined efforts of local politicians and the private sector to secure the Secretariat. In addition to the City's promise of a \$5 million grant, the Toronto Economic Advisory Council, a private-sector group, had also offered to provide the Secretariat with rent-free downtown office space for five years – a cost estimated to be worth more than \$4 million (Crane 1995). By mid-March of the same year the federal government came to the City's assistance with \$5 million. The \$10 million offered by Toronto and the federal government would cover the Secretariat's ongoing operations. Toronto would ultimately lose out to Bonn, Germany, in the race for the UN Climate Secretariat. Not surprisingly, the reaction at City Hall ranged from mild disappointment to public admonishment of the federal government's indecisiveness. While Mayor Barbara Hall conceded that the federal government was slow to campaign for the agency, she stopped short of blaming Ottawa for the disappointment. At the other end of the spectrum, Councillor Chris Korwin-Kuczynski described the outcome as another embarrassment, on top of Toronto's failed bids for the 1996 Summer Olympics and Expo 2000 (Moloney 1995). While the failure to become the new home for the UN FCCC World Secretariat was a disappointment, it did not pose a credible threat to the continued institutionalization of a climate change regime in Toronto. That threat would come in the aftermath of the 1995 provincial election in which the Progressive Conservative party, led by Mike Harris, was elected to government and the 1997 municipal election in which Mel Lastman became the new Mayor of Toronto.

While the "Toronto experience" during the Harris years has been well documented (Ibbitson 1997; Sancton 2000), it is important to briefly discuss some of the major transformative changes that had a profound impact on Toronto. The mid-to-late 1990s ushered in an era of unprecedented change for the structure of municipal government in Ontario. The Harris government argued that the excessive number of municipalities in Ontario represented a large and unnecessary burden to the taxpayer. To address this situation the government embarked on a program of municipal restructuring which in most cases implied amalgamation. In addition to amalgamation, provincial grants were reduced, the property tax system was reformed and services were downloaded from the provincial to municipal level. Despite evidence to the contrary, the government remained steadfast in its conviction that this restructuring process would

create a more streamlined, politically transparent and, most importantly, cost-effective structure of municipal governance in Ontario. At the time, the City of Toronto was one of six lower-tier municipalities that comprised the region of Metropolitan Toronto. On January 1 1998, Metropolitan Toronto and its six constituent municipalities were amalgamated to create the 'New' City of Toronto. By most accounts these changes imposed a considerable strain on the new City's financial health. This perspective would be re-emphasized Toronto's 2008 operating budget – it is the first balanced operating budget since amalgamation (City of Toronto 2008a).

The key concern for environmentalists centred on the newly amalgamated City's ability to remain committed to the climate change cause. The election of Mel Lastman to Mayor of Toronto in 1997 did not seem to auger well for the City's environmental agenda. While prolific in his admonishment of the Harris government's treatment of Toronto, Lastman could not be considered to be an ally of the environmental movement. With the fiscal reality of the post-amalgamated City becoming clearer, it was feared that the new Council would wind down key environmental programs, such as the TAF, as part of cost-cutting initiatives. This concern was further heightened by the province's approach towards environmental policy. During the Harris government's first mandate, the province began a process of fiscal retrenchment in which the Ministry of Environment's operating budget was reduced by 27% between 1995 and 1999 (Krajnc 2000: 115). Several key factors would, however, ensure that the newly amalgamated City would not abandon the environmental legacy that was established a decade earlier.

Any lingering doubts over Toronto's status as a global leader in climate change were soon erased in November 1997. That month ICLEI announced that Metropolitan Toronto ranked 1st in a list of 150 cities in reducing carbon dioxide emissions between 1990 and 1996 (Toronto Star 1997). Any action subsequent to this announcement that sought to locate cost-savings at the expense of environmental initiatives would have clearly diminished the City's global status.

In March 1998, two months after the newly amalgamated City came into effect, City Council created the Environmental Task Force [ETF]. The fundamental objective of the ETF was to prepare a comprehensive environmental plan for the City. In addition, the ETF was directed to recommend a governance structure that would incorporate advanced environmental decision-making into the political and administrative structure of the City. In April 2000, the ETF's final report 'Clean, Green and Healthy: A Plan for an Environmentally Sustainable Toronto,' ['Environment Plan'] was endorsed by City Council. The ETF identified four broad areas that required comprehensive policy attention; transportation, energy use, economic development, and education and awareness. To accomplish this task the ETF created the Sustainable Transportation, Sustainable Energy, Green Economy and Education and Awareness 'Work Groups'. They were directed to identify gaps in the coverage of sustainability issues, developing objectives and targets, and identifying policies, strategies and actions to move towards environmental sustainability (City of Toronto 2000).

The report goes to considerable lengths in identifying and articulating the complex transboundary and multi-jurisdictional realities that obstruct the implementation of effective climate change policy. Clearly cognizant of the limited impact of its own actions, the report recommended that the City pursue what can be described as a form of

multilevel collective action that would harness the efforts of regional, provincial, federal, U.S. and international bodies. More specifically, it called for the City to:

- Develop air quality strategies for the GTA, Ontario, and the Quebec-Windsor corridor in partnership with the provincial and federal governments and other municipalities.
- Make regional and international movement of air pollutants a priority of intergovernmental relations.
- Encourage the provincial and federal governments to implement appropriate strategies, policies, and regulations to ensure that municipal, provincial and federal air quality goals and international commitments are met (City of Toronto 2000: 48).

The implementation of the 'Environmental Plan' was by no means as symbolic as the adoption of the "Toronto Target" and the creation of the TAF and the EEO in the early 1990s. What the plan did was provide the City with a framework from which it could now approach its environmental initiatives in a more systematic and coordinated manner.

The (re)Emergence of Global Leadership

The election of David Miller to the position of Mayor of Toronto in November 2003 would regalanize the City's climate change agenda. While the doomsday scenarios articulated by naysayers of the Lastman era did not materialize to the extent as initially feared, climate change would be given greater priority on the Mayor's policy agenda – a point that the Mayor strove to impress at an international level.

The Mayor's first key opportunity to reinforce the City's climate change commitment came on May 12, 2004. Speaking at a Toronto conference sponsored by the 'Climate Group', a nonpartisan organization launched by then British Prime Minister Tony Blair, Mayor Miller announced a \$35 million initiative to promote energy efficiency and reduce the City's greenhouse gas emissions. Specifically, the City would install energy-efficient lights at 250 traffic signals in 2004 and 1,800 over the next few years (Lewington 2004). On its face, the announcement appears rather underwhelming, especially when considering the magnitude of the climate change threat. Whether or not the installation of 1,800 energy efficient traffic light bulbs plays a meaningful role in tackling climate change, it seems likely that "optics" played a key factor in deciding when and where this announcement was made. While certainly not 'global' in its composition, conference participants included representatives from Australia, Canada, the United Kingdom and the United States. The announcement provided the Mayor with two desirable outcomes. First, Toronto's commitment to climate change was demonstrated by its proactive policy-making in those areas over which it exercised direct control. Second, it helped to reinforce the leadership position the City had established in the early '90s – the City was prepared to act on its own accord because it felt it had a duty to.

A second key moment that allowed Toronto to reinforce its climate change credentials took place in London, England on November 19th, 2004. Following a meeting with City of London Mayor Ken Livingstone, it was announced that Phil Jessup, executive director of the Toronto Atmospheric Fund [TAF], had been seconded to

London to assist Mayor Livingston's office in establishing the London Climate Change Agency (Canada Newswire 2004). In many respects, this development was a considerable coup for the City. London's decision to request the services of the TAF would signal to other leading global cities that Toronto was a, if not the, key player in developing a municipal climate change response.

2006: A True Green Revolution?

David Miller's second term as Mayor of Toronto ushered in an unprecedented level of activism on climate change in the City. John Barber (2007), columnist for the 'Globe and Mail', described the outcome of Toronto's November 2006 municipal election in the following words – "The green barbarians storm the gates of City Hall." The word 'barbarian' tends not to be associated with virtues we expect our elected officials to project - civility, consensual and rational to name but a few. But the title of Barber's column is very instructive. Despite the proactive initiatives taken during Miller's first term, it had become clear that radical action lay ahead, a perspective that was quite evident in Mayor Miller's 1996 election platform, dubbed the "Green Agenda". The platform called for the development of a comprehensive climate change plan to cut greenhouse gas emissions and an aggressive clean air action plan to reduce smog-causing pollutants by 20 per cent by 2012. One key question remained unanswered - how could City Council pursue such an ambitious agenda? That question was answered by one development; an updated *City of Toronto Act*.

On January 1, 2007, the *City of Toronto Act, 2006* (Bill 53) was proclaimed. The *Act* sets out a broad, permissive legislative framework and gives the City broad new powers to pass by-laws regarding matters that range from public safety, to the City's economic, social and environmental well being. In addition, the Mayor possesses the power to appoint and remove Council committee Chairs. The *City of Toronto Act, 2006* gives the City the power to pursue elements of its climate change agenda that it previously could not, a fact not lost on those in support of increased municipal policy intervention. It was clear that the City was well positioned to move into a more environmentally activist phase. Several of the measures floated included: the introduction of parking lot surcharges in downtown Toronto and North York's City centre (Byers 2006); creating "region-wide" toll roads (Byers 2007), an idea the Mayor briefly floated in his 2003 election campaign; and, charging for parking lot permits according to the size of the car.

These potential measures were presented by the Mayor and his supporters as incentives that would help combat the City's smog problems by increasing ridership on the TTC. The logic of this approach, strikingly similar to the conclusions arrived at by Hardin and Olson, is quite simple – if individuals do not voluntarily use alternative forms of public transportation, then the City should create an environment in which they *can* be compelled. The provision of these and similar incentives – or, depending on one's ideological perspective, the imposition of a new form of taxation – to increase ridership on the TTC has yet to be implemented. If the City does require "radical changes" or "bold changes", a point repeatedly made by the Mayor, it stands to reason that we would expect the City to make a more substantive case to introduce such measures if it is the 'right thing to do'.

2007: The Year of ‘The Plan’

On July 16th, 2007, Toronto City Council voted 37-0 in support of the city’s new climate change plan – the ‘Climate Change, Clean Air and Sustainable Energy Action Plan: Phase 1’. There are four primary areas that the City has identified for initial funding and action:

- The Toronto Energy Conservation Fund, \$42 million;
- The Toronto Green Energy Fund, \$20 million;
- The continued implementation of Deep Lake Water Cooling of City Hall, Police Headquarters and Union Station, \$8.235 million; and,
- Energy efficiency and sustainability upgrades at City Hall and Nathan Phillips Square for the first phase of a sustainability showcase, \$13 million.

The new climate change plan has been described as the most comprehensive policy approach that the City has adopted. The total funding for these new programs is \$83.325 million (City of Toronto 2008b: 19). At first glance, allocating approximately \$84 million towards climate change appears rather underwhelming, especially considering the extent to which the City has pursued a climate change agenda. Despite the intuitive appeal of this conclusion, this paper illustrates the extent to which the City has institutionalized climate change within its policy agenda over the past two decades (City of Toronto 2007a: Appendix A).⁵ Of greater importance however are the City’s greenhouse gas reduction targets. The City’s reduction targets for greenhouse gas emissions, from 1990 levels for the ‘Toronto Urban Area,’ range from a 6% reduction by 2012 (The “Kyoto Target”) to 80% by 2050 (City of Toronto 2007c: 1). While clearly ambitious, achieving these reduction targets does, at best, seem optimistic and at worst, highly improbable – a position reinforced by the City’s own data.

In 1990, the old City of Toronto⁶ adopted the “Toronto Target” – a non-binding commitment to reduce corporate greenhouse gas emissions to 20% below 1998 levels by 2005. In 1999, the Toronto Atmospheric Fund [TAF] and the City’s Air Quality Improvement Branch [AQIB] initiated a cooperative effort to quantify the City’s corporate energy use and greenhouse gas emissions for 1990 and 1988. The results of the inventory, released by the TAF on June 1st, 2001, did not provide an optimistic prognosis. The report found that while the City’s energy use declined 10% by 1998 from 1990, this only translated into a 5% reduction in greenhouse gas emissions due to a moderate proportional rise in fossil fuel use by Ontario Hydro (City of Toronto 2001: 15). The report concluded by stating that the City faced a real challenge to meet its emissions targets by 2005. That the 20% reduction target was not met by 2005 is not surprising as there are multiple factors that lie well beyond the control of the City.

⁵ What we are unable to determine at this juncture, however, is the City’s total outlay on climate change policy and related policy on a yearly basis. The City’s ‘Green Economic Development Strategy’ lists 16 programs under the category of ‘Cleaner Air’ and 12 programs under the category of ‘Better Use of Energy’

⁶ The Metropolitan Toronto Council adopted the same target in 1991.

While the new climate change plan is not specific on the types of policy mechanisms that will be used, it stresses the need for increased partnerships and collaboration, both domestically and internationally. While the City has been very active on the international stage, its relations with neighbouring municipalities, at least publicly, seem underdeveloped. From a collective action perspective, forging collaborative relationships with neighbouring municipalities arguably holds a greater level of utility. Perhaps cognizant of this, the plan clearly articulates the need for a higher degree of collaboration with neighbouring municipalities at several points. The plan articulates the need to work with the province, the Greater Toronto Transit Authority, and GTA municipalities to investigate a road pricing regime that would encourage alternative modes of transportation, and dedicate any funds raised to transit improvements (City of Toronto 2007c: 6); a development that could result in a more harmonized regional approach to combating climate change. Whether such steps can be taken ultimately depends on the extent to which neighbouring municipalities are prepared to act collectively. As Zahran *et al.* (2008: 450) note, incentives for regional intergovernmental collaboration might be stronger if costs can be shared by several jurisdictions and there is an already well-developed metro civic capacity.

2008: Two Decades of Action [A Brief Assessment]

Over the course of the last two decades the City of Toronto has clearly positioned itself as a leading figure in the global municipal climate change movement; in many respects a pioneering role. The City's commitment to address climate change has become its guiding principle, perhaps even an article of faith. As apparent as this position may be, we need to identify the assumptions and beliefs that compel action. This paper suggests that there are three potential explanations that can help account for this position. In their abbreviated form these positions are perhaps best articulated as: a "follow the leader" mentality"; a strong environmental lobby; and, environmental altruism. The following sections provide a brief discussion that assesses the utility of these explanations.

Turning first to the "follow the leader" mentality, there is a large body of evidence that illustrates how the City has sought to define itself not only as a symbolic figurehead of the municipal climate change movement, but also the key repository for knowledge and expertise. The initial trigger that sparked this consciousness was the 'Changing Atmosphere' conference, hosted by the City in 1988. Shortly thereafter came the adoption of the 'Toronto Target' in 1990 that placed Toronto in uncharted water – it was one of the first governments that committed to a greenhouse gas emissions reduction target in the world. Building on this, the City established the 'Toronto Atmospheric Fund' and the 'Energy Efficiency Office', and was also chosen the new home of the ICLEI World Secretariat. The developments would demonstrate the emerging expertise the City had at its disposal for other "like-minded" municipalities. The clearest reflection of this came in 2004 when it was announced that Phil Jessup, executive director of the Toronto Atmospheric Fund, had been seconded to London to assist in establishing the London Climate Change Agency.

Second, the presence of a strong environmental lobby in the City has solidified the City's commitment to climate change. The events of mid-to-late 1990s illustrate the

relative strength of the environmental lobby during a period of tremendous change for the City. Turning first to the electoral victories for the Harris Conservatives in 1995 and Mel Lastman in 1997, the combination of a provincial government intent on reducing its environmental expenditures coupled with a newly elected fiscally conservative Mayor did not seem to auger well for the City's environmental agenda; a fear that was further heightened following the amalgamation of Metropolitan Toronto. Taking these events into account, it seems logical to conclude that the absence of a strong environmental lobby would result in reductions to environmental spending, often the first target during periods of austerity. This however did not occur to the extent initially feared. Instead, not only did the City extend climate change initiatives such as the 'Better Buildings Partnership' across the newly amalgamated jurisdiction, it introduced a new environment plan that would incorporate advanced environmental decision-making into the political and administrative structure of the City.

Third, the impact of altruism on Toronto's climate change commitment has been evident since the City's initial commitment following the 'Changing Atmosphere' conference. The City has reinforced its position that it is prepared to employ resources to provide a public good that will benefit all individuals. This is an important component to the City's climate change ethos; it constantly seeks to look beyond its own borders when articulating the universal benefits of a municipal climate change agenda. The salience of altruism reemerged with increased force in 2007 when the City released its' latest environmental plan that lay out the most ambitious emissions reductions targets to date: 6% by 2012 (The "Kyoto Target"); 30% by 2020, and; 80% by 2050. While the City's commitment is praiseworthy, it is necessary to temper any enthusiasm with some critical analysis. For example, Green (2007-2008: 58) contends that "emissions targets have now taken on a life of their own, particularly in political arenas susceptible to grandstanding behaviour." Whether this is a pathology of the climate change "mentality" - that is, announcing targets without a clear understanding of how to reach them - is secondary to the fact the City is prepared to "go it alone" at first.

Concluding Thoughts:

The basic premise of the Olsonian paradigm suggests that in the absence of coercion or incentives, voluntary collective action will not result in the achievement of common or group goals. If accurate, two possible outcomes for the municipal climate change response emerge: the collective effort is destined to fail; or, municipalities will continue to project an image of policy effectiveness yet fail to meet stated emissions reduction targets. Through its own actions, however, the City of Toronto has demonstrated that municipalities should not accept such fatalistic reasoning. Ostrom (2000: 149) notes that "the presence of a leader or entrepreneur, who articulates different ways of organizing to improve joint outcomes, is frequently an important initiation stimuli" - a description that we can comfortably apply to Toronto. What remains to be seen is the extent to which the actions of the City can lead to the creation of a critical mass that is arguably necessary to foster a larger and potentially more effective municipal climate change response.

Bibliography

Barber, John. (2007, January 13). "The green barbarians storm the gates of City Hall." *The Globe and Mail*, Retrieved January 17, 2008, from Factiva database.

Bender, Jonathan., Mookherjee, Dilip. (1987). Institutional Structure and the Logic of Ongoing Collective Action. *The American Political Science Review*, 81(1), 129-154.

Bernstein, Steven. (2002). International Institutions and the Framing of Domestic Policies: The Kyoto Protocol and Canada's Response to Climate Change. *Policy Sciences*, 35, 203-236.

Bulkeley, Harriet. (2005). Transnational Networks and Global Environmental Governance: The Cities for Climate Protection Program. *International Studies Quarterly*, 48, 471-493.

Bulkeley, Harriet., & Betsill, Michelle M. (2003). *Cities and Climate Change: Urban Sustainability and Global Environmental Governance*. London: Routledge.

Byers, Jim. (2006, November 27). "Miller eyes parking lot tax; Mayor floats possible surcharge as one way to use city's new taxing powers to fulfill his green agenda." *The Toronto Star*, Retrieved January 17, 2008, from Factiva Database.

Byers, Jim. (2007, February 4). Miller touts green vision Mayor to launch green agenda; Tolls, parking fees among possible 'radical' changes, *The Toronto Star*, Retrieved January 17, 2008, from Factiva Database.

City of Toronto Act, 2006, S.O. 2006, c. 11, Sch. A.
Retrieved May 20, 2008, from
http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_06c11_e.htm

City of Toronto. (1999). *A Sustainable Energy Plan for Toronto*. Retrieved on May 9, 2008, from <http://www.toronto.ca/council/oct209.pdf>

City of Toronto. (2000). *Clean Green and Healthy: A Plan for an Environmentally Sustainable Toronto*. Retrieved on February 28, 2009, from
<http://www.toronto.ca/council/etfepfin.pdf>

City of Toronto. (2001). *The City of Toronto's Corporate Energy Use and CO2 Emissions, 1990-1998: A Progress Report*. Prepared by the Toronto Atmospheric Fund. Retrieved on May 9, 2008, from http://www.toronto.ca/taf/pdf/co2emissions_060101.pdf

City of Toronto. (2007a). *People Planet and Profit: Catalyzing Economic Growth and Environmental Quality in the City of Toronto*. Retrieved on April 4, 2008, from

http://www.toronto.ca/business_publications/pdf/green_economic_development_22may2007.pdf

City of Toronto. (2007b). *Change is in the Air: Toronto's Commitment to an Environmentally Sustainable Future: Moving from a Framework to Action - The Climate Change and Clean Air Action Plan. Phase I Staff Background Report*. Retrieved on February 28, 2008, from <http://www.toronto.ca/legdocs/mmis/2007/pe/bgrd/backgroundfile-4986.pdf>

City of Toronto. (2007c). *Change is in the Air. Climate Change, Clean Air and Sustainable Energy Action Plan: Moving from Framework to Action – Phase 1*. Retrieved on February 28, 2008, from http://www.toronto.ca/changeisintheair/pdf/clean_air_action_plan.pdf

City of Toronto. (2008a). *City of Toronto 2008: Recommended Operating Budget*. Retrieved on May 10, 2008, from http://www.toronto.ca/budget2008/pdf/2008_operating_intro_bc_jan28_pres.pdf

City of Toronto. 2008b. *City of Toronto 2008 Capital Budget and 2009-2012 Capital Plan*. Retrieved on May 10, 2008, from http://www.toronto.ca/budget2008/pdf/2008_capbud_dec11.pdf

Crane, David. (1995, January 24). "Ottawa acts cool to Toronto bid for U.N. global-warming centre." *Toronto Star*, Retrieved April 17, 2008, from Factiva Database.

DeAngelo, B.J. and L.D.D. Harvey. (1998, June). The Jurisdictional Framework for Municipal Action to Reduce Greenhouse Gas Emissions: Case Studies from Canada, the USA and Germany. *Local Environment*, 3(2), 111-136.

Elliot, L. (1998). *The Global Politics of the Environment*. London: Macmillan.

Hardin, Garret. (1968). "The Tragedy of the Commons." *Science*, 16(2), 1243-1248.

Harrison, Katherine. (1999). *Passing the Buck: Federalism and Environmental Policy*. Vancouver: UBC Press.

Harvey, L.D. (1993). "Tackling Urban CO2 Emissions in Toronto." *Environment*, 35 (7), 16-20 and 28-44

Ibbitson, John. (1997). *Promised Land: Inside the Mike Harris Revolution*. Scarborough: Prentice Hall Canada.

Krajnc, Anita. (2000, March). Whither Ontario's Environment? Neo-Conservatism and the Decline of the Environment Ministry, *Canadian Public Policy* 26(1), 111-127.

Kousky, Carolyn., & H. Schneider., Stephen H. (2003). Global Climate Policy: Will Cities lead the Way? *Climate Policy*, 3,359-372.

Lambright, W. Henry., Stanley A. Changnon, & Harvey, L.D. (1996, November). Urban Reactions to the Global Warming Issue: Agenda Setting in Toronto and Chicago, *Climatic Change*, 34(3-4), 463-478.

Lee, Eugene., and Anthony Perl (Eds.), (2003). *The Integrity Gap: Canada's Environmental Policy and Institutions*. Vancouver: UBC Press.

Lewington, Jennifer. (2004, May 13). Miller announces conservation measures. *Globe and Mail*, Retrieved April 17, 2008, from Factiva Database.

May, Elizabeth. (2002, December -2003, January). From Montreal to Kyoto, How we got from Here to There – Or Not. *Policy Options*, 14-18.

Mayor David Miller and Mayor Ken Livingstone meet in London on last leg of City of Toronto's European trade mission. (2004, November 19). *Canada Newswire*, Retrieved April 17, 2008, from Factiva Database.

Metro Tops. (1997, November 19). *The Toronto Star*, Retrieved April 17, 2008, from Factiva Database.

Moloney, Paul. (1995, April 17). City loses bid for climate agency. Ottawa slammed for non-support. Retrieved April 17, 2008, from Factiva Database.

Green, Chris. (2007, December -2008, January). "Climate Change: Actions, not Targets." *Policy Options*, 58-62

McKenzie, Judith L. (2002). *Environmental Politics in Canada: Managing the Commons into the Twenty-First Century*. Don Mills, ON: Oxford University Press.

Oliver, Pamela E. (1993). "Formal Models of Collective Action." *Annual Review of Sociology*, 19, 271-300.

Olson, Mancur. (1965). *The Logic of Collective Action: Public Goods and the Theory of Groups*. Cambridge, Massachusetts: Harvard University Press.

Ostrom, Vincent., and Elinor Ostrom. (1971). "Public Choice: A Different Approach to the Study of Public Administration." *Public Administration Review*, 32(2), 203-216.

Ostrom, Elinor. "A (1998, March) .Behavioral Approach to the Rational Choice Theory of Collective Action: Presidential Address." American Political Science Association, 1997. *The American Political Science Review*, 92:1, 1-22.

Ostrom, Elinor. (2000, Summer). "Collective Action and the Evolution of Social Norms." *Journal of Economic Perspectives*, 14(3), 137-158.

Peterson, Paul. (1981). *City Limits*. Chicago: University of Chicago Press.

Robinson, Pamela J., and Christopher D. Gore. (2005). Barriers to Canadian Municipal Responses to Climate Change. *Canadian Journal of Urban Research* 14(1), 102-120.

Sancton, Andrew. (2000). *Merger Mania: The Assault on Local Government*. McGill-Queen's University Press.

Zahran, Sammy., Grover, Himanshu., Brody, Samuel D., & Vedlitz, Arnold. (2008). "Risk, Stress, and Capacity. Explaining Metropolitan Commitment to Climate Protection." *Urban Affairs Review*. 43(4), 447-474.

Young, Robert., and Christian Leuprecht. (Eds.) (2006). *Canada: The State of the Federation 2004 – Municipal-Federal-Provincial Relations in Canada*. Montreal & Kingston: McGill-Queen's University Press.