

*The Department of Agricultural & Resource Economics Welcomes*

**Kathleen Segerson**

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**FRIDAY, April 1, 2016**  
**11.15 a.m - 12.30 pm, WB Young 327**

**Re-evaluating voluntary programs with information spillovers**  
**By Rong Zhou, Kathleen Segerson, and Xiang Bi**

**Abstract:** Voluntary environmental programs has been widely used in the U.S. for controlling and managing pollutants and promoting environmental stewardship and technology adoption. However, the empirical literature finds mixed evidence of the impact of voluntary programs on the behavior of participants. One possible reason, suggested by Lyon and Maxwell (2007), is information spillovers. In the presence of strong treatment spillovers, traditional program evaluation methods comparing the outcome of program participants and non-participants is not appropriate. In this context, there is a critical distinction between the impact of participation in a voluntary programs and the effect of the existence of the program. This paper presents both a theoretical model and an empirical application demonstrating the potential importance of accounting for information spillovers when evaluating voluntary approaches. Using EPA's well-studied 33/50 Program, we show that the traditional methodology used for evaluating program impacts, which estimates the impact of participation, can lead to invalid conclusions about the overall effect of a voluntary program if information spillovers exist.

For questions or concerns, contact Tatiana Andreyeva ([tatiana.andreyeva@uconn.edu](mailto:tatiana.andreyeva@uconn.edu)).