Subsidizing and Unsubsidizing the Green Transition: Local Labor Market Effects of the IRA Rollback

Katarzyna Bilicka*

Extended abstract
October 19, 2026

Abstract

The One Big Beautiful Bill Act (OBBBA) of 2025 terminated, phased down or expanded many of the energy and climate incentives introduced by the Inflation Reduction Act (IRA), the largest industrial and climate policy intervention in modern US history. In this paper, I analyze the effects of this rollback on local labor markets using Quarterly Census of Employment and Wages data. Using county-level variation in exposure to IRA I decompose its initial effects according to which provisions OBBBA terminated, narrowed, expanded or left unchanged. I use that to estimate the employment, payroll, establishment and wage growth effects of each. Preliminary estimates suggest that the employment gains from the IRA were concentrated in industries whose incentives OBBBA has since withdrawn. I then document which communities are most exposed to the rollback and use microdata on federal grants to show which recipients and communities lost funding after OBBBA was enacted. Finally, I complement these findings by analyzing the effects of the IRA and OBBBA on county-level air quality and metropolitan-level prices. Taken together, these results inform current decisions about which IRA incentives to preserve and broader debates about the durability of place-based industrial policy.

1 Introduction

The Inflation Reduction Act (IRA) represents the most ambitious industrial and climate policy initiative in recent U.S. history, allocating hundreds of billions of dollars in tax credits, loans, and grants to accelerate decarbonization and revitalize domestic manufacturing. Three years after its enactment, the One Big Beautiful Bill Act (OBBBA), signed on July 4, 2025, rolled back many of these incentives while expanding others. For example, OBBBA ended the tax breaks for households that install solar panels or make energy-efficient home improvements, and for builders of energy-efficient homes and commercial buildings. The law also ended manufacturing support for wind components and took back Department of Energy funds that had not yet been committed. At the same time, it made the credit for capturing and storing carbon more generous and added metallurgical coal, which is used in steelmaking, to the minerals eligible for manufacturing support. It also reopened federal lands to new oil, gas and coal leasing and postponed a planned fee on methane emissions from oil and gas operations. Separately, the executive branch froze or canceled grants funded by the IRA, including the $20 billion Greenhouse Gas Reduction Fund.

In this paper, I investigate how the rollback of IRA incentives affects local labor markets. Using Quarterly Census of Employment and Wages (QCEW), I quantify employment, payroll, establishment and wage growth effects of the IRA separately for industries whose incentives OBBBA terminated, narrowed, expanded or left unchanged. I then examine whether the employment gains generated by the IRA unwind when the incentives are withdrawn and which local communities are most affected by these changes. To complement these findings, I also use micro-level data

*Utah State University, NBER, CEPR, CESifo and Oxford University Centre for Business Taxation, Jon M. Huntsman School of Business, United States; kat.bilicka@usu.edu. I thank Scott Hayes and Andrew Hunting for excellent research assistance.

on federal grants to examine which IRA-related grants were deobligated, rescinded or frozen, and which recipients and communities were affected by those.

IRA and OBBBA can affect local labor markets by shifting regional labor demand and the spatial distribution of economic activity in several ways. First, the IRA tax credits and grants reduce the user cost of capital for qualifying electricity-generation, storage, and clean-energy manufacturing facilities, increasing the likelihood of these otherwise marginal projects being realized, while OBBBA raises the cost of capital again for the projects whose credits it terminated or narrowed. Because many of these projects take years to build, the effects of OBBBA depend on whether projects already under construction are completed, and the July 4, 2026 begin-construction deadline for wind and solar creates an incentive to bring construction forward before the deadline. Second, changes in demand for these projects propagate upstream to industries like materials, electronics or logistics and downstream to industries such as engineering, installation or consulting through input–output linkages. Third, new earnings raise demand for non-tradable services, amplifying local-level hiring outside the industries that are directly eligible for credits and grants, and the withdrawal of incentives can reverse these local multiplier effects. Finally, because OBBBA expanded incentives for oil, gas, coal and carbon capture, it can reallocate activity across space, from counties specialized in renewable energy and energy efficiency towards counties specialized in fossil fuels.

The IRA and OBBBA can also affect local prices and air quality. Tax credits for electric vehicles, heat pumps and residential solar lower the prices that households pay for these goods (Allcott et al., 2024), and new renewable generation can lower local electricity prices, while higher local labor demand can raise wages and housing costs. OBBBA reverses the first of these effects for the credits it terminated. Replacing fossil fuel generation with wind and solar reduces local emissions of particulate matter and other pollutants, while the expansion of oil, gas and coal leasing and the delay of the methane emissions charge under OBBBA can increase emissions in counties specialized in fossil fuels.

The uneven design of OBBBA lends itself to examining its effects using the local labor markets approach. A county with employment concentrated in solar and wind generation faces a large negative shock, while a county with employment concentrated in oil and gas extraction and carbon capture faces a positive one. A single measure of IRA exposure treats these two counties as equally exposed. To separate them, I map each OBBBA energy provision to the industries it affects and classify industries that stand to benefit from the IRA into four groups: those whose incentives OBBBA terminated or reduced, retained but narrowed, expanded, and left unchanged. In 2022, 9.3 million workers were employed in IRA-exposed industries, of which 4.9 million worked in industries whose incentives OBBBA terminated or reduced.

Following the approach used by Garrett et al. (2020) to study the local labor market effects of bonus depreciation and by Bilicka (2026) to study the IRA, I interact this industry-level classification with county-level differences in industry concentration in 2022. This creates four county-level exposure measures that add up to the county's total exposure to the IRA. Using difference-in-differences method comparing counties with larger and smaller statutory exposure in 2022 I provide reduced-form causal evidence on how OBBBA incentives differentially affect employment and wages at the local level. In each specification I control for state by quarter by year fixed effects to account for differences in state-level labor market policies and for 4-digit industry by quarter by year fixed effects to account for different employment trends across industries in the US. Once data after OBBBA become available, the effects of the rollback can additionally be identified from changes in the paths of industries whose incentives OBBBA terminated relative to those whose incentives it left unchanged.

Using data through the first quarter of 2025, I find no differential pre-trends in employment,

payroll, establishment or wage growth before the IRA. After the IRA, the effects diverge across the four groups. A one standard deviation increase in exposure to provisions that OBBBA later terminated or reduced increases employment growth by 1.0% and payroll growth by 1.2%. A one standard deviation increase in exposure to industries that OBBBA left unchanged increases employment growth by 0.6%, while a one standard deviation increase in exposure to provisions that OBBBA expanded decreases employment growth by 0.4%. These results suggest that the employment gains generated by the IRA were concentrated in industries whose incentives OBBBA has since withdrawn.

In the second part of the paper, using detailed micro-data on federal grants, I propose to document which IRA-related grants were withdrawn after 2025 and through which mechanism. I distinguish between grants that were deobligated, unobligated balances that were rescinded by OBBBA, and grants that were frozen while remaining obligated, such as the Greenhouse Gas Reduction Fund. I combine these data with QCEW to examine which recipients and communities were most affected by the withdrawal of federal funding.

I propose to finish the paper by examining the effects of the IRA and its rollback on county-level air quality and metropolitan-level prices. This will allow me to speak to the effects of the IRA package as a whole, beyond its effects on local labor markets.

From policy perspective, understanding whether the local labor market gains from a large-scale industrial intervention persist after its incentives are withdrawn is critical not only for evaluating the effectiveness of the IRA but also for informing current decisions about which parts of it to preserve, replace or let lapse. If employment gains unwind quickly after the incentives are withdrawn, they are worth less than cost per job estimates suggest, while if they persist, the IRA has built lasting local capacity. Further, identifying the communities that bear the costs of the rollback, and distinguishing between federal funding that was deobligated, rescinded or frozen, informs the agencies and organizations that administer these programs.

The questions I ask in this paper are also part of ongoing policy decisions. Treasury and the IRS continue to issue guidance on which projects qualify for the remaining credits, including the rules that define when construction of a project begins and the annual update of the energy community maps. Many of the credits that OBBBA retained phase out over the next decade, so Congress will again decide on their future, and state and local governments face the choice of whether to replace federal support with their own incentives. Evidence on which credits generated local employment, and where, informs each of these decisions. The energy community bonus is one of the few place-based provisions of the IRA that OBBBA left intact, which makes it important to know whether the rollback falls on the communities this bonus was designed to support. Finally, the litigation over the Greenhouse Gas Reduction Fund, in which the D.C. Circuit upheld an injunction against its termination in August 2026, will determine whether the frozen funds are disbursed, and this paper is well-placed to show which communities would be affected by that outcome.

Contribution to the Literature This paper contributes to three strands of literature: the effects of the IRA, the effects of place-based and industrial policies, and the empirical literature on local labor markets. First, I contribute to the nascent empirical work on the Inflation Reduction Act by quantifying how the reversal of its incentives affects local labor markets. Bistline et al. (2023a) show that the IRA could reduce U.S. greenhouse gas emissions by 43–48% below 2005 levels by 2035. Bistline et al. (2023b) assess the IRA's key climate provisions using a representative-agent dynamic model and show that the legislation is likely to lower headline inflation and generate expansionary supply-side effects relative to a carbon tax. Allcott et al. (2024) find that most electric vehicle tax credits are passed through to consumers, and Haskins and Parilla (2024) provide a descriptive

account of the geographic and sectoral footprint of the IRA and other recent federal investment programs. Bistline et al. (2025) discuss options for reforming US climate policy in 2025, and Bilicka (2026) shows that counties more exposed to the IRA experienced higher employment, payroll and firm growth. However, none of these studies examine how the withdrawal of IRA incentives affects local labor markets. This paper aims to fill that gap.

Second, this paper contributes to the broader literature on place-based and industrial policies, which has long debated whether targeted government support to firms generates meaningful and persistent local economic spillovers (Bartik, 2020; Corinth and Feldman, 2024; Kline and Moretti, 2014b; Neumark and Simpson, 2015; Slattery and Zidar, 2020). Recent theoretical and empirical work has revived interest in industrial policy as a tool to stimulate innovation and employment (Criscuolo et al., 2019; Rodrik, 2022). In the renewable energy sector, Gerarden et al. (2026) review the rationales for industrial policy and the evidence on spillovers across firms and countries, and discuss how this evidence applies to current debates about clean energy subsidies. Curtis et al. (2024) show how workers move into and out of jobs in sectors most likely affected by decarbonization. This paper complements these studies by providing direct evidence on the local labor market effects of a large renewable energy industrial policy and of its partial withdrawal.

The third strand of literature to which this paper contributes examines how different shocks affect local labor markets and whether these effects persist. Kline and Moretti (2014a) show that the agricultural employment gains from the Tennessee Valley Authority were reversed once federal transfers ended, while the manufacturing gains persisted, highlighting the role of agglomeration economies. Greenstone et al. (2010) show that large plant openings raise the productivity of incumbent plants in the same county. Autor et al. (2013) and Autor et al. (2016) show how import competition from China reduced employment in exposed U.S. regions, and Dix-Carneiro and Kovak (2017) find that the effects of trade liberalization on regional employment and earnings in Brazil grew over time. Garrett et al. (2020) provide evidence of positive local labor market effects from accelerated depreciation policies in the U.S. Serrato (2018) and Bilicka (2024) examine the local labor market impacts of anti-tax avoidance policies in the U.S. and U.K., respectively. Building on this literature, this paper examines whether the local labor market effects of a large subsidy program are reversed when the subsidies are withdrawn.

2 Data

I use 4-digit industry-county level employment, payroll, establishment counts and average weekly wages from QCEW for years 2021 to the latest available quarter. The preliminary estimates use data through the first quarter of 2025, but the full paper will use data through the third quarter of 2026. For the full paper, I also propose to construct exposure at the 6-digit level, since OBBBA treats wind components, solar and battery components, and critical minerals differently, and these are pooled within 4-digit industries such as 3336 and 3359. Where 6-digit county data are suppressed, I will continue using the 4-digit industry.

To classify industries, I map each OBBBA energy provision to 2022 NAICS codes using legal and policy summaries of the statute. This crosswalk assigns each of 32 provisions a direction of change (terminated or reduced, retained but narrowed, or expanded) and the industries it directly and indirectly affects. Using national QCEW data at the 6-digit level, 9.3 million workers, about 6% of covered employment, worked in IRA-exposed industries in 2022. Of these, 4.9 million worked in industries whose incentives OBBBA terminated or reduced, 0.3 million in industries whose incentives it narrowed, 0.7 million in industries whose incentives it expanded, and 3.4 million in industries it left unchanged. I show these flows in Figure A1 in the Appendix.

To examine federal grants, I use transaction-level data from usaspending.gov. This data has been used by Choi et al. (2024) and Marin and Chen (2021), who analyze the data on government grants allocated following the 2009 American Recovery and Reinvestment Act. For air quality, I use EPA Air Quality System annual summaries by monitor and by county, available through 2026, and for prices, I use BEA metropolitan-level regional price parities and personal consumption expenditure price indexes.

3 Empirical Approach

To estimate the effects of the IRA and its rollback on local labor markets, I exploit cross-industry differences in how OBBBA treated IRA provisions, interacted with county-level variation in industry concentration, following Garrett et al. (2020) and Bilicka (2026).

First, I classify industries as IRA-exposed based on statutory eligibility for IRA production (§45X), investment (§48C), clean electricity (§45Y/§48E), carbon-capture (§45Q), hydrogen (§45V), clean fuel (§45Z), energy-efficient construction (§45L, §179D) and related provisions, and the Methane Emissions Reduction Program. I then classify IRA-exposed industries into four groups $g \in \{T, P, E, N\}$ based on the direction of the OBBBA provisions that apply directly to the industry's activity: terminated or reduced (T), retained but narrowed (P), expanded (E) and unchanged (N). I list the industries in each group in Table A1 in the Appendix.

For each county, I calculate employment in each group relative to total employment in the county using 2022 (pre-IRA) employment:

$$Exposure_c^g = \frac{\sum_i Emp_{ic,2022}\, \mathbf{1}(g_i = g)}{\sum_i Emp_{ic,2022}}, \qquad g \in \{T, P, E, N\}. \tag{1}$$

Here, $Exposure_c^g$ denotes the share of county c's 2022 employment in industries in group g. The four measures add up to the county's total IRA exposure, $Exposure_c = \sum_g Exposure_c^g$. I plot the geographical distribution of these measures in Figures A2–A5. Table A2 shows that the four measures are close to uncorrelated across counties, with pairwise correlations between -0.03 and 0.05, while each is positively correlated with total IRA exposure. This means that the four measures capture different sets of counties.

I then use these exposure measures in an event study framework that uses the IRA as the event:

$$Empgr_{cit} = \alpha + \sum_{\kappa<2022} \delta_\kappa\, Exposure_c \times (t = \kappa) + \sum_{g\in\{T,P,E,N\}} \sum_{\kappa\geq 2023} \delta_\kappa^g\, Exposure_c^g \times (t = \kappa) + \gamma_{st} + \eta_{it} + \epsilon_{cit}, \tag{2}$$

where c is county, i is industry and t is quarter-year. $Empgr_{cit}$ is sector-county-quarter private sector employment (payroll, establishment count or average weekly wage) growth relative to the same quarter of 2022, γ_{st} are state-quarter-year fixed effects, η_{it} are industry-quarter-year fixed effects, and ϵ_{cit} is the error term. In each specification I control for log population and cluster standard errors at the county level. Before the IRA, the coefficients δ_κ are estimated on total IRA exposure, and after the IRA, each group has its own coefficients δ_κ^g. The coefficients for quarters after the third quarter of 2025 will capture the effects of OBBBA. If the rollback reduces employment, δ_κ^T should decline relative to δ_κ^N, since industries in both groups were exposed to the IRA but only industries in group T were exposed to its reversal. I choose this specification over the one that uses OBBBA as the event, because OBBBA was debated publicly from spring 2025

and is phased in through 2027, so it has no clean pre-period, while total IRA exposure shows no differential pre-trends before the IRA.

The coefficients identify the causal effects of exposure under the assumption that, absent the legislation, employment in more- and less-exposed county-industries would have followed similar trends. While I cannot directly test this assumption, the event study framework allows me to evaluate its plausibility. Since the July 4, 2026 begin-construction deadline for wind and solar projects was known a year in advance, I expect construction activity in group T to increase before the deadline and decline afterwards. Because group E is dominated by oil and gas, I compare its path after OBBBA to that of group T to separate the effects of OBBBA from common energy price shocks.

Preliminary results In Figure A6 in the Appendix, I summarize the estimates of equation (2) using QCEW data through the first quarter of 2025. Before the IRA, I find no differential trends in employment, payroll, establishment or average weekly wage growth in counties with higher total IRA exposure. After the IRA, the effects diverge across the four groups. A one standard deviation increase in exposure to provisions that OBBBA later terminated or reduced increases employment growth by 1.0% and payroll growth by 1.2% on average between the first quarter of 2023 and the first quarter of 2025, and this is the only group with significant positive establishment growth. A one standard deviation increase in exposure to industries that OBBBA left unchanged increases employment growth by 0.6% and payroll growth by 0.7%, with most of the increase from 2024 onwards. Exposure to provisions that OBBBA expanded decreases growth in all four outcomes, with a one standard deviation increase reducing employment growth by 0.4%, which is consistent with the slowdown in oil and gas activity over this period. The effects of exposure to narrowed provisions are negative but imprecisely estimated. The estimated paths for the terminated and unchanged groups are significantly different from each other for all four outcomes. These results suggest that the employment gains from the IRA were concentrated in industries whose incentives OBBBA has since withdrawn.

Withdrawn grants Federal grants were withdrawn through three mechanisms, which appear differently in the data. Deobligations appear as negative values of `federal_action_obligation` in the transaction data. Rescissions of unobligated balances do not appear at the award level, and I take them from the statute and agency accounts. Frozen grants remain obligated without any negative transaction, so I identify them using the ratio of outlays to obligations by program and verify them against court records. The Greenhouse Gas Reduction Fund, which accounts for roughly a quarter of the IRA-related grant amounts in the data, is frozen rather than deobligated. For grants awarded to financial intermediaries, I use subaward records to locate where the funding was spent.

Other outcomes I propose to estimate equation (2) for county-level air quality using EPA Air Quality System data and for metropolitan-level prices using BEA data. State by quarter by year fixed effects absorb regional shocks such as wildfire smoke. Air quality monitors cover 771 counties in 2025, and coverage is lower in less exposed counties (11% of counties in the lowest quartile of IRA exposure compared to 26% in the highest), so I will estimate these effects on the subsample of monitored counties.

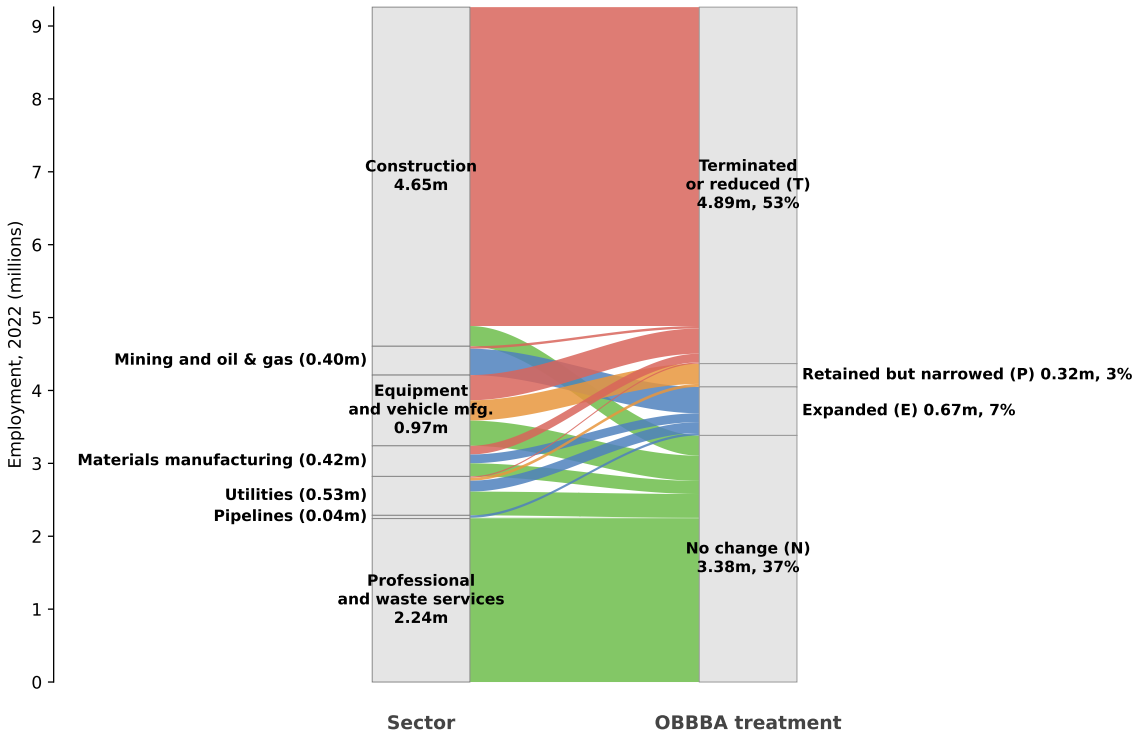
Appendix

Table A1: OBBBA partition of IRA-exposed industries, 4-digit NAICS

NAICS	Industry group	IRA-exposed
Panel A. Terminated or reduced (T)		
2122	Metal Ore Mining	Yes
2123	Nonmetallic Mineral Mining and Quarrying	Yes
2361	Residential Building Construction	Yes
2362	Nonresidential Building Construction	Yes
2371	Utility System Construction	Yes
2381	Foundation, Structure and Building Exterior Contractors	Yes
2382	Building Equipment Contractors	Yes
2383	Building Finishing Contractors	Yes
3314	Nonferrous Metal (except Aluminum) Production	Yes
3323	Architectural and Structural Metals Manufacturing	Yes
3336	Engine, Turbine and Power Transmission Equipment Mfg.	Yes
3353	Electrical Equipment Manufacturing	Yes
3361	Motor Vehicle Manufacturing	Yes
Panel B. Retained but narrowed (P)		
2211	Electric Power Generation, Transmission and Distribution	Yes
3251	Basic Chemical Manufacturing	Yes
3344	Semiconductor and Other Electronic Component Mfg.	Yes
3359	Other Electrical Equipment and Component Mfg.	Yes
Panel C. Expanded (E)		
2111	Oil and Gas Extraction	Yes
2121	Coal Mining	No
2131	Support Activities for Mining	Yes
3241	Petroleum and Coal Products Manufacturing	Yes
3253	Fertilizer and Other Agricultural Chemical Mfg.	Yes
4247	Petroleum Products Merchant Wholesalers	No
4862	Pipeline Transportation of Natural Gas	Yes
4869	Other Pipeline Transportation	Yes
Panel D. No change under OBBBA (N)		
2213	Water, Sewage and Other Systems	Yes
3112	Grain and Oilseed Milling	Yes
3272	Glass and Glass Product Manufacturing	Yes
3273	Cement and Concrete Product Manufacturing†	Yes
3311	Iron and Steel Mills and Ferroalloy Manufacturing†	Yes
3313	Alumina and Aluminum Production and Processing	Yes
3334	Ventilation, Heating, A/C and Refrigeration Equipment Mfg.†	Yes
3363	Motor Vehicle Parts Manufacturing	Yes
4861	Pipeline Transportation of Crude Oil†	Yes
5413	Architectural, Engineering and Related Services†	Yes
5416	Management, Scientific and Technical Consulting Services	Yes
5417	Scientific R&D Services	Yes
5622	Waste Treatment and Disposal†	Yes

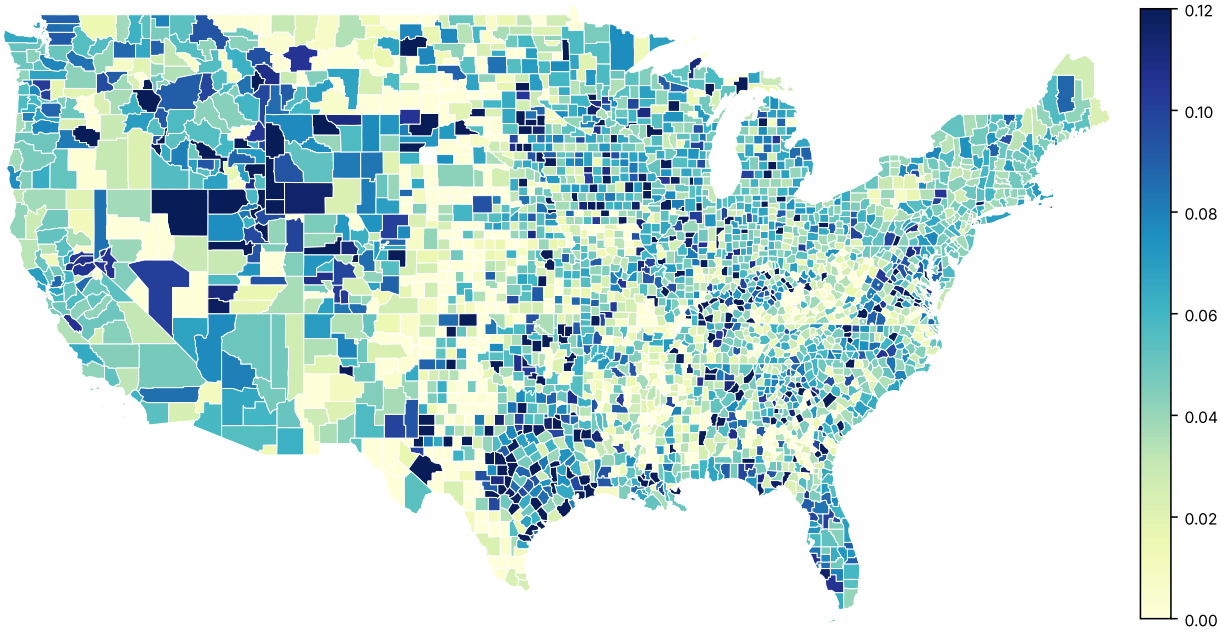
Notes: Groups are assigned by the direction of the OBBBA provisions with a direct link to the industry's own activity: T if at least one such provision reduces or terminates an incentive and none expands one, E if at least one expands an incentive and none reduces one, P if they only narrow an incentive or pull in both directions, N if none applies directly. The final column indicates whether the group is IRA-exposed; two groups marked NO are not included in the overall IRA exposure because the IRA did not subsidize their activity and OBBBA does.

Figure A1: Employment in IRA-exposed industries by OBBBA treatment, 2022



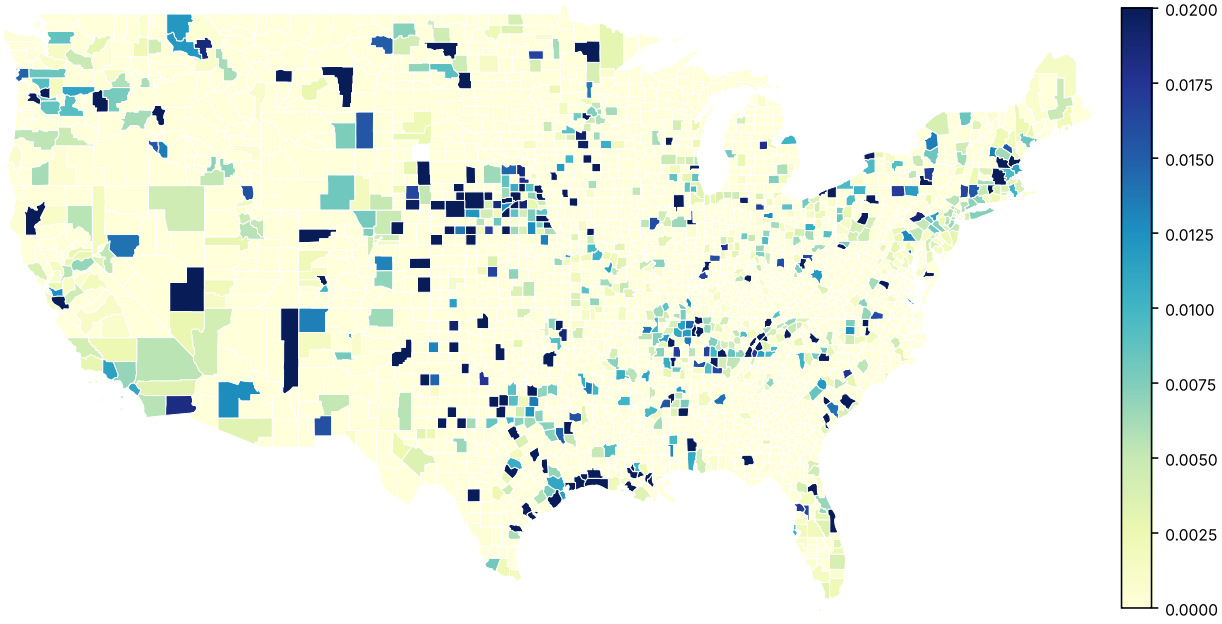
Notes: Flows from sector (left) to the OBBBA treatment of the underlying industries (right), for the 75 IRA-exposed 6-digit industries within the 4-digit groups of Table A1. The width of each flow is proportional to 2022 national employment, the average of monthly employment over 2022, summed across ownership sectors. Six-digit industries are assigned to T, P, E or N by the same rule as in Table A1, so a 6-digit industry can fall in a different group from its 4-digit counterpart; for example, solar and wind generation are in T although 2211 as a whole is in P. Coal mining and petroleum products wholesalers, which OBBBA brings in but the IRA did not, employ a further 0.15 million and are not shown.

Figure A2: Exposure to OBBBA provisions that terminated or reduced IRA incentives



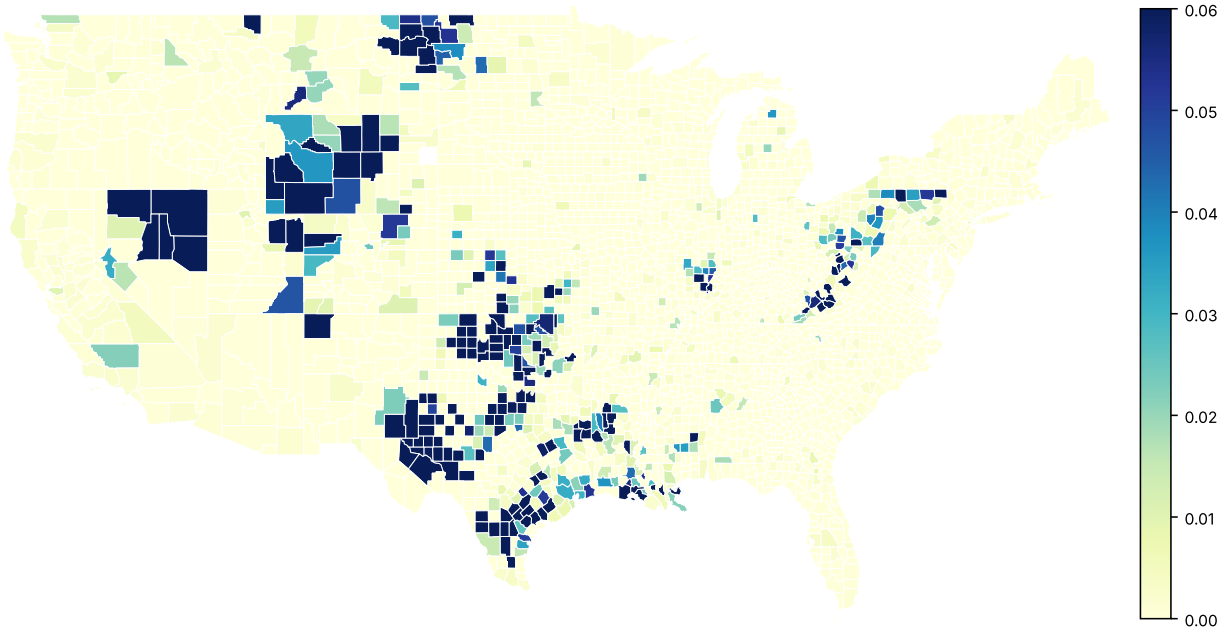
Notes: County share of 2022 employment in the 4-digit industries in Panel A of Table A1, constructed as in equation (1), with employment summed across ownership sectors and over the four quarters of 2022. The scale is top-coded at 12 percent.

Figure A3: Exposure to OBBBA provisions that retained IRA incentives on narrowed terms



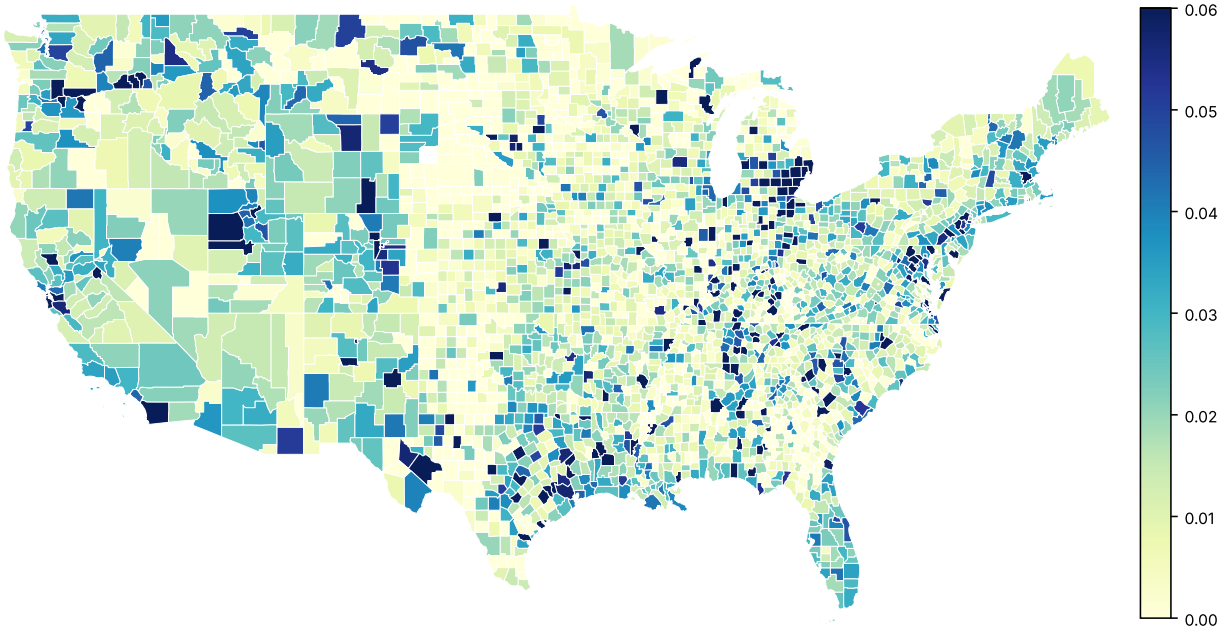
Notes: County share of 2022 employment in the industries in Panel B of Table A1, constructed as in Figure A2. The scale is top-coded at 2 percent.

Figure A4: Exposure to OBBBA provisions that expanded energy incentives



Notes: County share of 2022 employment in the industries in Panel C of Table A1, constructed as in Figure A2. The scale is top-coded at 6 percent.

Figure A5: Exposure to IRA-exposed industries with no change under OBBBA



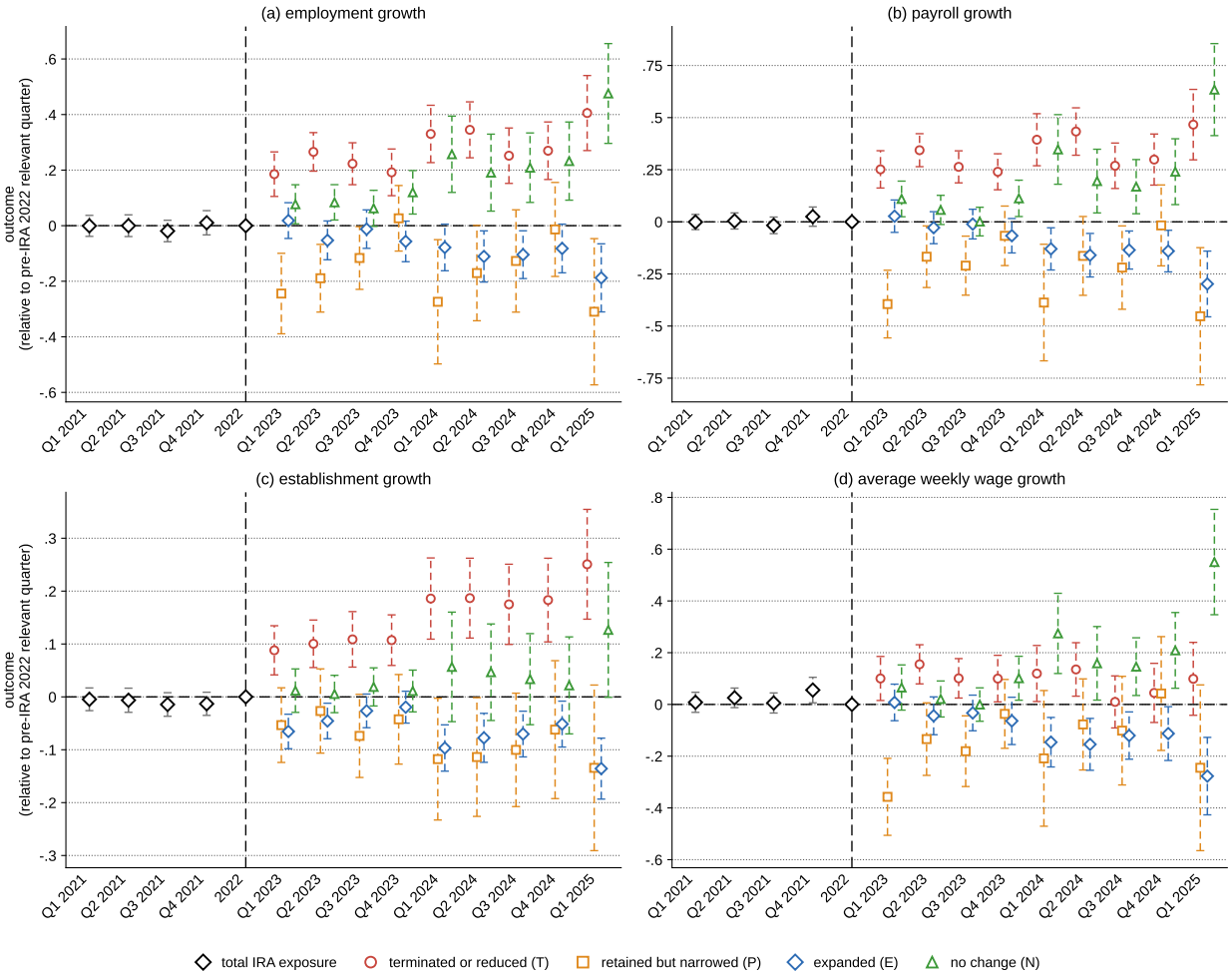
Notes: County share of 2022 employment in the industries in Panel D of Table A1, constructed as in Figure A2. These industries were exposed to the IRA but not to its reversal. The scale is top-coded at 6 percent.

Table A2: Distribution of exposure measures across counties

	Distribution					Correlations				
	Mean	SD	p25	p50	p75	IRA	T	P	E	N
Total IRA exposure	0.075	0.077	0.035	0.059	0.087	1.00				
Terminated or reduced (T)	0.054	0.047	0.025	0.047	0.069	0.46	1.00			
Retained but narrowed (P)	0.004	0.018	0.000	0.000	0.001	0.26	0.02	1.00		
Expanded (E)	0.012	0.056	0.000	0.000	0.001	0.70	−0.02	0.01	1.00	
No change (N)	0.021	0.033	0.005	0.014	0.027	0.42	0.05	0.01	−0.03	1.00

Notes: County shares of 2022 employment in 4-digit industries, summed across ownership sectors and over the four quarters of 2022. Components follow the partition in Table A1. Correlations are across counties.

Figure A6: The differential effect of IRA exposure by OBBBA components.



Notes: This figure plots the coefficients from equation (2) with 90 percent confidence intervals. Black diamonds are the coefficients δ_κ on total IRA exposure before the IRA; coloured markers are the coefficients δ^g_κ on each OBBBA component from 2023. The outcome variables are in order growth in employment, payroll, establishment counts and average weekly wages relative to the same quarter of 2022, and the four quarters of 2022 are the reference period. State-quarter-year and industry-quarter-year fixed effects and log population included; standard errors clustered by county. Preliminary estimates using QCEW data through 2025Q1 and 4-digit industries; the exposure components use the IRA-exposed industries in Table A1.

References

Hunt Allcott, Reigner Kane, Maximilian S Maydanchik, Joseph S Shapiro, and Felix Tintelnot. The effects of "buy American": Electric vehicles and the Inflation Reduction Act. Technical report, National Bureau of Economic Research, 2024.

David H Autor, David Dorn, and Gordon H Hanson. The China syndrome: Local labor market effects of import competition in the United States. *American Economic Review*, 103(6):2121–2168, 2013.

David H Autor, David Dorn, and Gordon H Hanson. The China shock: Learning from labor-market adjustment to large changes in trade. *Annual Review of Economics*, 8(1):205–240, 2016.

Timothy J. Bartik. Using place-based jobs policies to help distressed communities. *Journal of Economic Perspectives*, 34(3):99–127, 2020.

Katarzyna Bilicka. Labor market consequences of antitax avoidance policies. *International Tax and Public Finance*, pages 1–37, 2024.

Katarzyna Bilicka. Subsidizing the green transition: Local labor market effects of IRA incentives. Technical paper, Utah State University, 2026.

John Bistline, Geoffrey Blanford, Maxwell Brown, Dallas Burtraw, Maya Domeshek, Jamil Farbes, Allen Fawcett, Anne Hamilton, Jesse Jenkins, Ryan Jones, et al. Emissions and energy impacts of the Inflation Reduction Act. *Science*, 380(6652):1324–1327, 2023a.

John Bistline, Neil Mehrotra, and Catherine Wolfram. Economic implications of the climate provisions of the Inflation Reduction Act. Working Paper 31267, National Bureau of Economic Research, 2023b.

John Bistline, Kimberly Clausing, Neil Mehrotra, James H. Stock, and Catherine Wolfram. Climate policy reform options in 2025. *Environmental and Energy Policy and the Economy*, 6, 2025.

Joonkyu Choi, Veronika Penciakova, and Felipe Saffie. Political connections, allocation of stimulus spending, and the jobs multiplier. Technical report, National Bureau of Economic Research, 2024.

Kevin Corinth and Naomi Feldman. Are opportunity zones an effective place-based policy? *Journal of Economic Perspectives*, 38(3):113–136, 2024.

Chiara Criscuolo, Ralf Martin, Henry G Overman, and John Van Reenen. Some causal effects of an industrial policy. *American Economic Review*, 109(1):48–85, 2019.

E. Mark Curtis, Layla O'Kane, and R. Jisung Park. Workers and the green-energy transition: Evidence from 300 million job transitions. *Environmental and Energy Policy and the Economy*, 5, 2024.

Rafael Dix-Carneiro and Brian K Kovak. Trade liberalization and regional dynamics. *American Economic Review*, 107(10):2908–2946, 2017.

Daniel G Garrett, Eric Ohrn, and Juan Carlos Suárez Serrato. Tax policy and local labor market behavior. *American Economic Review: Insights*, 2(1):83–100, 2020.

Todd D. Gerarden, Mar Reguant, and Daniel Yi Xu. The role of industrial policy in the renewable energy sector. *Environmental and Energy Policy and the Economy*, 7, 2026.

Michael Greenstone, Richard Hornbeck, and Enrico Moretti. Identifying agglomeration spillovers: Evidence from winners and losers of large plant openings. *Journal of Political Economy*, 118(3):536–598, 2010.

Glencora Haskins and Joseph Parilla. Sizing and seizing Washington's $40 billion down payment on place-based industrial policy. Brookings Institution, 2024.

Patrick Kline and Enrico Moretti. Local economic development, agglomeration economies, and the big push: 100 years of evidence from the Tennessee Valley Authority. *Quarterly Journal of Economics*, 129(1):275–331, 2014a.

Patrick Kline and Enrico Moretti. People, places, and public policy: Some simple welfare economics of local economic development programs. *Annual Review of Economics*, 6(1):629–662, 2014b.

Giovanni Marin and Ziqiao Chen. The employment impact of a green fiscal push: Evidence from the American Recovery and Reinvestment Act. *Brookings Papers on Economic Activity*, 2021.

David Neumark and Helen Simpson. Place-based policies. In *Handbook of Regional and Urban Economics*, volume 5, pages 1197–1287. Elsevier, 2015.

Dani Rodrik. The return of industrial policy. Project Syndicate, 2022.

Juan Carlos Suárez Serrato. Unintended consequences of eliminating tax havens. NBER Working Papers 24850, National Bureau of Economic Research, 2018.

Cailin Slattery and Owen Zidar. Evaluating state and local business incentives. *Journal of Economic Perspectives*, 34(2):90–118, 2020.