



Factsheet 22: Climate jobs

Unions all over the world are now campaigning for green jobs to stop climate change. There are also several campaigns to make governments employ large numbers of workers in “climate jobs”. This factsheet makes the argument for such campaigns.

The argument for climate jobs

We are facing a global environmental crisis and a global economic crisis. We need solutions to both – now.

In much of the world, even if 'recovery' happens, mass unemployment will last for many years. Some countries seem luckier. But even in Brazil, India and China, there are still tens of millions of people in villages and cities who need decent secure jobs.

The second starting point is that to avoid climate disaster we need to stabilise greenhouse gas emissions within 20 years. We already have all the technology we need.

To cut emissions we need to do many things. But three things make more than half the difference:

We need to cover the world with wind power and solar power to supply electricity from renewable energy. Then we can use that electricity for industry, heating homes, and running buses and trains (*Factsheet 6 explains the importance of renewable energy*).

We need to get people out of cars and on to public transport.

And we need to convert homes and public buildings all over the world so they use less energy and are warmer in winter and cooler in summer.

All of the technology to do this is available now. Not just in the rich countries, but in India and China too.

But the governments of the world say they cannot act because it would 'cost too much'. Cost too much means that millions of workers will be paid rupees

and pesos and dollars every month for work driving buses, building wind turbines, and insulating houses.

“Cost” means jobs. For instance, South Africa and the UK have roughly similar size populations. The union campaigns there are fighting for one million new climate jobs in each country. That is not an arbitrary number. It's is how much work needs doing to stabilise the CO2 in the atmosphere within 20 years. In Brazil it would be 3 million jobs, in the USA 5 million, and in India 40 million jobs.

What is a climate job?

Climate jobs are jobs that cut down the amount of greenhouse gases. This is different from 'green jobs', which can include many other jobs as well.

The climate jobs campaigns want new jobs, now. They are not asking governments to promise to 'create' jobs by 2030 by making encouraging noises to industry. They want the government to start hiring people immediately.

Lost jobs

With the change to a new low carbon economy, there will be many new jobs. But some workers will eventually lose jobs in high carbon industries like car manufacturing and mining. If we do not protect those people, different groups of workers will be set against each other.

Government jobs are best way to protect those workers. If the government employs the new climate workers, they can guarantee retraining and new jobs at the same wages to anyone who loses a high-carbon job. In reality, there will be a mix of public and private employment. We need strong unions to bargain for retraining, transferring skills and the rights of workers who are displaced or lose their jobs.

We can afford the jobs

We can afford climate jobs, for four reasons:



First, they won't cost that much. Remember it is the government spending the money. When the government gives someone a job, that person starts paying taxes. When they get a job, they also stop claiming benefits. The government saves money both ways.

Second, most climate jobs are not one-off spending. They are investments, making things people will pay for. The government provides public transport and renewable energy for electricity. People buy bus tickets and pay electricity bills. This is not wasted money.

Taxes and benefits are more important in some countries than others. But the government always make much of their expenditure back. Reasonable estimates are:

For every \$100 the government spends:
Germany gets back \$99
Greece gets back \$70
South Africa gets back \$50

Third, the money is there. The global financial crisis began in 2008. We found out that governments spend money when they care about something. We now know the Federal Reserve Bank of the United States can find \$400 billion on a Tuesday if the banks need it.

There are many ways to raise the money. Governments could raise taxes on the rich, close loopholes and tax havens, and actually prosecute tax evasion. The US and UK governments have spent 100s of billions in 'quantitative easing' – printing money – in the last two years. Governments could take over the banks and hedge funds. They could sell green bonds. They could raise corporation taxes. Or they could take the money that would be spent on new oil fields, fracking gas, and new wars.

Fourth, the spending will get the economy moving again. The reason is that every time a million new workers get jobs, they start paying taxes. And they buy a lot more things – food, housing, clothing, games. The people who make those things get more

jobs, and pay more taxes. And that gives jobs to yet more people.

This is the idea behind 'Keynesian' economics. John Maynard Keynes, the British economist, said in the 1930s that government spending in bad times was the only way to get the economy moving again.

The alternative won't work

The dominant economic idea in most countries now is not Keynesian. It is that governments should cut spending in bad times to balance their books. This may sound reasonable, but it does not work.

The IMF forced many African countries to cut government spending in the 1980s. Much of Africa has not recovered to this day. The IMF forced many Latin American countries to cut spending in the 1990s. In Latin America they call it the 'lost decade'. The IMF is now forcing Greece, Ireland and Portugal to cut spending. They are caught in a downward economic spiral. The US and much of Europe are cutting public services and pensions to 'save money' now. The more they cut, the higher unemployment and the worse the economy.

There is a reason cuts don't work. If you put public sector workers out of a job, they spend less. Then other workers lose their jobs. And everyone pays less taxes. So the government has less income, and has to borrow more. So the government cuts even more to balance the books, and more people lose jobs, and pay less taxes, and the government has less money and cuts more.

But there is a straight forward alternative – millions of new jobs to save the planet.

This is part of a series of factsheets on climate change produced by the ITF, www.itfclimatejustice.org