



# 18 STRATEGIES FOR A GREEN NEW DEAL

HOW TO MAKE THE CLIMATE MOBILIZATION WORK

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## INTRODUCTION

The Green New Deal [GND] resolution recently submitted by Rep. Alexandra Ocasio-Cortez and Sen. Ed Markey proposes a broad vision to transform America.<sup>1</sup> The Resolution calls for “a new national, social, industrial, and economic mobilization on a scale not seen since World War II and the New Deal era.” It notes that such a mobilization provides “a historic opportunity to create millions of good, high-wage jobs, virtually eliminate poverty in the United States, provide unprecedented levels of prosperity and economic security for all U.S. persons, and counteract systemic injustices.”

Initial discussion of the Green New Deal has rightly focused on values and goals. But there are many practical problems that will have to be solved as well. This discussion paper addresses the “how” of the Green New Deal.

The original New Deal of the 1930s was not a single program or piece of legislation – it was a whole era of turmoil in which contesting forces tried to meet a devastating crisis and shape the future of American society. Besides its famous “alphabet soup” of federal agencies, the New Deal was part of a process of social change that included experimentation at a state, regional, and local level; organization among labor, unemployed, rural, urban, elderly, and other grassroots constituencies; and lively debate on future alternatives that went far beyond the policies actually implemented. In practice the GND will similarly involve competing ideas and programs pushed – in alliance and opposition – by a wide range of constituencies and organizations that support the broad concept but disagree about details.

The Resolution lists five “Green New Deal goals” to be accomplished through a 10-year national mobilization:

- achieve net-zero greenhouse gas emissions through a fair and just transition for all communities and workers;
- create millions of good, high-wage jobs and ensure prosperity and economic security for all;
- invest in the infrastructure and industry to sustainably meet the challenges of the 21st century;
- secure clean air and water, climate and community resiliency, healthy food, access to nature, and a sustainable environment for all for generations to come; and
- promote justice and equity by stopping current, preventing future, and repairing historic oppression of indigenous communities, communities of color, migrant communities, deindustrialized communities, depopulated rural communities, the poor, low-income workers,

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<sup>1</sup> “House Resolution Recognizing the duty of the Federal Government to create a Green New Deal”

<https://cleantechnica.com/2019/02/08/heres-the-full-text-of-congress-green-new-deal-resolution-introduced-by-rep-alexandra-ocasio-cortez/> This resolution is not intended as a legislative proposal or package of bills, but rather as a vision of what is necessary to address the dual crises of climate change and runaway inequality.



women, the elderly, the unhoused, people with disabilities, and youth – aka “frontline and vulnerable communities.”

How can these goals be achieved? The Green New Deal provides a framework for moving beyond piecemeal solutions to a set of integrated strategies. As with the original New Deal and the subsequent mobilization for World War II, the GND will need to combine unprecedented visionary initiatives with experimentation and correction. All the while it will need to win and maintain popular political support and ward off the attacks of its opponents.

Although the 18 strategies proposed in this discussion paper are presented one by one, they are designed to be synergistic and support each other. Together they could outline 18 bills or titles for GND legislation. Of course, the policy details will need to be filled in. More important, because the GND is trying to do something that has never been done before, we will have to learn from experience and experiment and correct the mistakes we will inevitably make along the way.

There is precedent for such a mobilization in America’s response to the threat of World War II. As Nazi armies spread devastation across Europe in 1940, United Automobile Workers Union president Walter Reuther proposed a startling plan to retool the Depression-ravaged auto industry to build 500 warplanes a year. The auto magnates scoffed, but soon a massive mobilization put tens of millions of unemployed and underemployed workers to work producing what the war effort required, while shutting down wasteful and unnecessary production that would impede it. While there are many differences, climate protection is an emergency that can call forth a comparable effort today.<sup>2</sup> Like World War II, the war against climate change will require the mobilization of government, workers, and financial and material resources.

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The mission of the [LABOR NETWORK FOR SUSTAINABILITY](#) (LNS) is to engage workers and communities in building a transition to a society that is ecologically sustainable and economically just. The purpose of this paper is to stimulate discussion of the Green New Deal among labor, environmental, progressive, policy, and justice constituencies.

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<sup>2</sup> Jeremy Brecher, Joe Uehlein, and Ron Blackwell, “If Not Now, When: A Labor Movement Plan to Address Climate Change,” *New Labor Forum*, Fall 2014, [http://www.labor4sustainability.org/wp-content/uploads/2014/09/NLF541793\\_REV1.pdf](http://www.labor4sustainability.org/wp-content/uploads/2014/09/NLF541793_REV1.pdf).





## PART 1: MOBILIZE GOVERNMENT

Global warming has rightly been called history's greatest market failure. Correcting it cannot be left to the market. The GND requires government institutions specifically designed to implement the transition to climate protection. The GND will need bold economic planning, industrial policies, and public investment to guide and facilitate the process. It will need full-employment macroeconomic policies that prevent unemployment, assure prosperity, and encourage full use of economic resources during the transition. And it will need public mobilization and redirection of human and material resources that are required for the transition.

Replacing fossil fuel energy with climate-safe energy requires enormous changes in our economy and society. Effective measures have been blocked by the power of the fossil fuel industry; the inhibitions produced by neoliberal ideology and policy; the weakness and corruption of democratic institutions; and the imperatives of a market that, if it is regulated at all, is regulated in the interest of the fossil fuel industry. Where it has been unable to block climate protection entirely, the fossil fuel industry and its allies have advocated dubious programs such as cap-and-trade and carbon offsets that, with modest exceptions, have failed to reduce greenhouse gas (GHG) emissions.

There are three main approaches to GHG reduction. The first, which has dominated climate legislation and treaty negotiations, consists of "putting a price on carbon emissions" to discourage GHGs through taxation, fees, cap-and-trade systems with markets for emission quotas, or similar means. The second, which is widely discussed and frequently implemented on a small scale, consists of local, often community-based initiatives designed to produce renewable energy and reduce energy consumption on a decentralized basis. The third, perhaps less often delineated by proponents than excoriated by opponents, consists of a government-led approach based on economic planning, public investment, resource mobilization, and direct government intervention in economic decisions. While rapid reduction of GHG emissions will undoubtedly require all three, the GND represents a government-led plan—drawing on the experience of the original New Deal and the economic mobilization for World War II—to put people to work converting the U.S. to a climate-safe economy.<sup>3</sup>

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<sup>3</sup> Laurence L. Delina and Mark Diesendorf, "Is wartime mobilization a suitable policy model for rapid national climate mitigation?" *Energy Policy*, July 2013, <http://www.sciencedirect.com/science/article/pii/S0301421513002103> presents World War II mobilization as a model for transition to a climate-safe economy. This approach is spelled out in greater detail in Laurence L. Delina, *Strategies for Rapid Climate Mitigation* (New York: Routledge, 2016).



## ESTABLISH GREEN NEW DEAL MOBILIZATION AGENCIES

The government-led approach often uses the economic mobilization for World War II as a touchstone. Climate protection requires government-led mobilization on the scope and scale of World War II.

The mobilization for World War II was truly impressive. U.S. military spending rose from less than \$2 billion in 1940 to more than \$90 billion in 1944—an increase of more than \$1 trillion in 2010 dollars. In the five years of the war, the United States produced three hundred thousand planes, one hundred thousand ships, and twenty million rifles. Investment in research and development produced radically new technologies; the United States spent more than \$20 billion in 2008 dollars and directly and indirectly employed more than one hundred thousand people on the Manhattan Project alone—thereby producing the first atomic bomb.

The conversion of industries to military production was directed by the War Production Board. It established priorities and allocated scarce materials such as steel, aluminum, and rubber; prohibited nonessential industrial production such as nylons, refrigerators, and passenger cars; controlled wages and prices; and mobilized the people through patriotic campaigns and recycling drives. It rationed such commodities as gasoline, heating oil, metals, rubber, paper, and plastics. Under its authority silk ribbon factories converted to produce parachutes and typewriter companies turned out machine guns. Other war agencies like the War Labor Board and the Office of Price Administration managed particular aspects of the mobilization process.

Mobilization for the GND is an emergency that, like mobilization for World War II, requires powerful governmental agencies dedicated to the purpose that can plan and implement the transition to a climate-safe economy. The Green New Deal agencies, established by act of Congress, will raise capital; implement labor force strategies; organize funding for infrastructure such as transmission lines, railways, and pipelines; fund research and development; set and monitor energy efficiency standards for buildings, appliances, and equipment; train and retrain workers and professionals; and set industrial location policies. They will coordinate the multifaceted activities of federal agencies, state and municipal governments, corporations, and civil society organizations. They will cut through inertia, bottlenecks, and bureaucratic red tape. The Green New Deal Agencies will need to be established by act of Congress.



## USE REGULATORY POWERS TO FREEZE, PHASE-OUT, AND REPLACE ALL FOSSIL FUEL INFRASTRUCTURE

In 1942, President Franklin Roosevelt banned the production of passenger cars to allow the reorganization of industry for war production. The goals of the GND require a similar, though more gradual, managed decline in fossil fuel production and use and its replacement by fossil-free energy. Such a transition should be enforced by the regulatory powers of government. State Renewable Portfolio Standards (RPS) provide an example. A national RPS should require replacement of fossil fuel energy by renewable energy at the annual rate necessary to meet GND goals. Similar standards should be developed for conversion of transportation, buildings, industry, and all other GHG-producing sectors.

The Obama administration's Clean Power Plan, despite its inadequacies and ambiguities, required states and corporations to make defined GHG emission reductions on a legally enforceable schedule. While it gave them great flexibility in how to do so, it did not allow them to evade targets by simply providing incentives that might or might not lead to GHG reduction in the real world. It required them to plan, invest, and disinvest to meet a compulsory emission reduction schedule. Auto companies were led to cooperate with the Obama administration's GHG-reducing plan for reconstruction of the auto industry on the basis of GHG reduction because their survival depended on the plan's massive public investment in the auto industry. Where necessary the GND will use such compulsory planning and implementation. The existing or an amended Clean Air Act can provide the authority for such regulation. Regulation should start with an immediate freeze on all new fossil fuel infrastructure and a redirection of all new energy investment to GND programs.

Studies show that replacement of fossil fuel energy by renewable energy and energy efficiency is technically feasible, and suggest various pathways to achieve it.<sup>4</sup> It can be accomplished based on commercially available technologies, but rapid expansion of research and markets will likely lead to very rapid improvement in technology along the way. The transition can be based on renewable energy technologies that cut the GHGs released by

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<sup>4</sup> For a review of such studies see Laurence L. Delina and Mark Diesendorf, "Is wartime mobilization a suitable policy model for rapid national climate mitigation?" *Energy Policy*, July 2013, section 2. Available at <http://www.sciencedirect.com/science/article/pii/S0301421513002103>. See also Robert Pollin, Heidi Garrett-Peltier, and James Heintz, *Green Growth: A Program for Controlling Climate Change and Expanding U.S. Job Opportunities* (Washington, DC: Center for American Progress, September, 2014), <http://cdn.americanprogress.org/wp-content/uploads/2014/09/PERI.pdf>. See also Labor Network for Sustainability and Synapse Energy Economics, *The Clean Energy Future*. <http://climatejobs.labor4sustainability.org/national-report/> For a comprehensive listing of studies on climate change mitigation, see IPCC, Special Report: Global Warming of 1.5°C "References" for "Chapter 2: Mitigation Pathways Compatible with 1.5C in the Context of Sustainable Development" pp. 163ff. [https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15\\_Chapter2\\_Low\\_Res.pdf](https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15_Chapter2_Low_Res.pdf)



production, and energy efficiency measures that reduce the amount of energy needed. It will not require nuclear energy, large-scale modifications of earth systems through geo-engineering, or carbon capture and storage, each of which is likely to be far slower, more costly, and more environmentally dangerous than rapid conversion to renewable energies and energy efficiency.

The most important areas for transition are electricity, transportation, and buildings. Electricity produced by fossil fuels, the largest single emitter of GHGs, will be replaced by wind, solar, and hydro energy sources, smart grids, new energy storage technologies, and increased efficiency. Petroleum-based private transportation will be replaced with cars, trucks, trains, and public transit powered by renewable electricity. Freight transportation will be converted to rail transport and electric vehicles. Virtually all buildings can be made much more efficient through insulation, weatherization, cogeneration, and solar and geothermal heating, cooling, and hot water. Many other strategies, ranging from industrial redesign to “smart growth” integration of urban and transportation planning, and from expanding forests to reducing fossil fuel use and applying carbon-sequestering techniques in farming, will also contribute. They will include massive expansion of activities like climate resiliency and education, health, and recreation to provide a higher quality of life for all while requiring far less energy. Every workplace, industry, and community will have a role in building a climate-safe economy.

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## USE GOVERNMENT TO PLAN THE TRANSITION

Climate protection requires the capacity to make long-range plans that affect many aspects of life. Planning climate protection is in some ways similar to planning the nation’s transportation system. It requires making decisions, such as whether to build highways or railways, that will shape the life of the country for decades to come. It requires the technical capacity to design and engineer such complex systems. It requires taking into account a wide range of economic, environmental, and social factors—and maximizing beneficial side effects while minimizing undesirable ones.

Government will need to map out what is needed to realize the GND goals; lay out the sequence of economic development; find sources of funding; find and eliminate bottlenecks; help develop public or private enterprises that will do what is needed; keep the pipeline full to provide stable demand and employment; and step in to meet needs that the private economy



is not addressing. Some of this can be done by expanding the role of existing agencies; some may require new, non-market institutions such as public purpose non-profit developers, part of whose mission is to provide stable jobs for local workers and communities.

Planning will be necessary to see that climate protection produces not just a flurry of economic activity, but also a stable growing sector that provides steady jobs and advancement for millions of workers. It must involve planning for the transition to climate protection as a whole, not just a collection of separate programs. For example, expansion of renewable energy and energy efficiency are interdependent and must go hand in hand, with planned sequencing of the entire transition. Similarly, expansion of manufacturing for climate protection will need to be coordinated with the installation of its products.

The GND will include frequent interim targets that require steady year-on-year reductions rather than postponing more difficult reductions to the future.<sup>5</sup> It will provide for a phased development that takes advantage of early opportunities but also lays the groundwork for later programs. In early phases it should lay the groundwork through research and planning; develop governance structures; initiate shovel-ready projects; and help jumpstart local and state initiatives. In later phases it should implement projects that have longer lead times and begin the drawdown of carbon already in the atmosphere by farming and forestry practices. The process should provide for periodic course correction along the way.

In the scenario laid out in the LNS report *The Clean Energy Future*, nearly 80% of the new climate protection jobs will be concentrated in manufacturing and construction.<sup>6</sup> The scenario will immediately start to create hundreds of thousands of new jobs in energy efficiency, ranging from insulation to high-efficiency heating and cooling, to fuel cells and combined heat and power (CHP) installations, to use of tree planting to cool urban areas. A second wave of jobs will develop producing, installing, and maintaining wind turbines, solar panels, and other forms of renewable energy. New jobs will develop in the auto industry due to the increasing production of electric cars and trucks. A shift to public transportation will allow more jobs and an even faster reduction in greenhouse gas emissions as well as other social benefits. Once a fossil-free energy system is in place the enormous energy cost savings of consumers will translate into additional spending on a diverse array of goods and services which will create additional jobs.

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<sup>5</sup> For an analysis of the “equity curve” required to balance shorter- and longer-term reductions see John Humphries, “GHG Emissions Reduction Trajectories,” *CT Roundtable on Climate and Jobs*, July 15, 2015, [http://www.ct.gov/deep/lib/deep/climatechange/gc3/member\\_communications/humphries\\_2015\\_0717b.pdf](http://www.ct.gov/deep/lib/deep/climatechange/gc3/member_communications/humphries_2015_0717b.pdf).

<sup>6</sup> Labor Network for Sustainability and Synapse Energy Economics, *The Clean Energy Future*.



## ESTABLISH GREEN NEW DEAL AGENCIES FOR REORGANIZING ECONOMIC SECTORS

A fossil-free economy will require transformation not just of individual workplaces and companies, nor just of the economy as a whole, but of specific industries and economic sectors. Industry-wide planning is necessary to capture synergies and economies of scale, establish level playing fields, and ensure that different parts of an emerging climate protection system work together—large-scale, long-term coordinations that cannot be provided by the market. Here, public climate policies, industry-wide collective bargaining, and cooperation among businesses in the same industry need to go hand in hand.

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”

A prime example of such cooperation was the reconstruction of the U.S. auto industry under President Obama’s economic recovery plan. Auto corporations and the UAW agreed to a large, long-term increase in energy efficiency to cut carbon emissions. This involved cooperative planning for retooling the industry, large-scale federal support for developing new technology, and substantial public investment in modernizing the industry on a low-carbon basis. The result was a steady decrease in carbon pollution rates, an increase of jobs for auto workers, and an end to the crisis that threatened to nearly eliminate auto production in the United States.

Electricity provides another case where industry-wide coordination is necessary for successful GHG emission reduction. Energy production and distribution is an integrated system tied together by power lines and other infrastructure into the electric grid. Moving to 100 percent renewable energy requires a far more sophisticated and decentralized energy system that can integrate everything from rooftop solar installations to massive wind farms. It therefore requires long-term planning and investment; the public sector must provide these if the private sector is unable or unwilling to do so.

“ Unions can be leaders in bringing together the players for such a transformation if they are willing to put the universally shared need to protect the climate front and center in the design of the new energy system.

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Transportation similarly requires integrated transformation that includes massive expansion of public transit; reorganization of freight transportation to reduce emissions; conversion to electric, fuel cell, and other low-emissions vehicles; and





practical access to walking and biking routes. This requires not just switching from one kind of vehicle to another, but restructuring of metropolitan areas, great expansion of renewable energies, and redesign of freight systems. The Teamsters union has promoted and begun to develop such a restructuring, advocating for a new intermodal transportation system and trying to draw the other public and private sector players into cooperation around it.

Finance is a principal means by which resources are allocated to future uses. Financialization has meant that a huge and growing proportion of wealth is invested not to produce needed goods and services, but rather to pursue speculative gains based purely on the fluctuations of markets, especially financial markets themselves. Downsizing the financial sector and returning it to the role of servant rather than master of the real economy is necessary to provide the resources for climate protection and other social needs and to stop magnifying the economic gyrations driven by a highly speculative economy. This can be achieved by such means as financial reregulation, the imposition of a “Robin Hood” tax on financial transactions, and expansion of public purpose finance.

Similar sectoral programs are necessary for agriculture, forestry, manufacturing, waste management, and many other industries.<sup>7</sup>

## USE GOVERNMENT TO RESHAPE THE MARKET

Although government will have a leading role, markets will have an important role as well. Most economic activities will continue to be coordinated through markets, albeit ones affected by new public policies. Some market-based approaches, such as energy price incentives, carbon taxes, fees, and/or quotas, might help redirect production and investment to low-GHG technologies and products in the myriad areas not covered by direct government policies.

Government at every level should establish a “buy fair” and “buy local” procurement policy. It should provide incentives for quality jobs which provide family-sustaining wages and benefits; the right to form a union and engage in collective bargaining free of intimidation and reprisal; hiring opportunities for workers in disadvantaged communities; training and careers; and strengthening of local economies.

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<sup>7</sup> For an example of a plan for worker friendly industry-wide transition see Jeremy Brecher, “Fixing Bad Chemistry: Workers, Jobs, Toxics and the Future of the Chemical Industry, A Discussion Paper for Chemical Industry Workers and Allies,” Labor Network for Sustainability, 2014, [http://labor4sustainability.org/files/pdf\\_badchemistry.pdf](http://labor4sustainability.org/files/pdf_badchemistry.pdf)





## USE THE TOOLS OF MACROECONOMIC POLICY

The New Deal used the tools of what came to be known as macroeconomic or Keynesian economic policy to steer the economy as a whole. To fight unemployment and support New Deal programs it used fiscal policy, such as budget deficits, and monetary policy, such as low interest rates. While neoliberalism has condemned Keynesian macroeconomic policies designed to provide full employment, the abandonment of such steering led to the deepest economic crisis since the Great Depression and an ongoing aftermath of income polarization and impoverishment for working people. In such a context, rapid transition to climate safety carries the risk of broad economic disruption. That possibility must be forestalled by macroeconomic policies that ensure full employment. Such policies, implemented in the context of the transition to climate protection, will reduce the fear that climate protection may threaten prosperity, and give working people a greater stake in the transition.

“ While neoliberalism has condemned Keynesian macroeconomic policies designed to provide full employment, the abandonment of such regulation of the economy as a whole led to the deepest economic crisis since the Great Depression and an ongoing aftermath of income polarization and impoverishment for working people. ”

Today, as at the outset of World War II, the U.S. economy remains mired in the aftermath of a severe economic decline with vast quantities of underutilized resources. Macroeconomic policies aiming for genuine full employment at living wages would produce hundreds of billions of dollars a year more than today, generating substantial resources to transition to renewable energy and ensure that transition is fair and just for workers, communities, and carbon-dependent regions.

## USE THE POWERS OF GOVERNMENT TO RECTIFY PAST AND PRESENT INJUSTICES

The original New Deal was a captive of a racist power structure based on white supremacy in the South. Although New Deal policies led millions of African Americans to shift their political allegiance to the Democratic Party and form a crucial part of the New Deal coalition, the Roosevelt administration did not challenge Dixiecrat domination of the Democratic Party or policies of racial discrimination in the South. Advocates of the Green New Deal have explicitly criticized that heritage and called for policies that counter inequality, correct all forms of historical discrimination and injustice, and virtually eliminate poverty.



Full employment and good, stable jobs that protect the climate provide part of the basis for the GND. But it must also provide a jobs pipeline for those individuals and groups who have been denied equal access to good jobs. It must remedy the concentration of pollution in marginalized and low-income communities. It must counter the lack of transportation, education, health, and other facilities in poor neighborhoods, and all other results of past discrimination.

Jobs and unemployment are currently distributed very unevenly to different groups and localities. So are job skills and experience. Climate protection jobs require a wide range of skills, from the most highly technical to just having the ability to show up for the job and follow instructions. While this makes it possible to provide jobs for a wide range of workers, it also has the danger of providing only low-quality dead-end jobs for those who are already most economically deprived.

Jobs protecting the climate will be made available to those individuals and groups who have been denied equal access to good jobs. Job recruitment will include strong racial, gender, age, and locational affirmative action to counter our current employment inequalities. Programs will require standards for local hiring and minority business enterprises.<sup>8</sup> Climate protection needs to make use of workers' existing skills while at the same time developing new ones that reduce these inequalities. Programs need to provide job ladders within and across employers lest those who currently face only dead-end jobs continue to face only dead-end jobs in the climate protection economy.

The transition to a fossil free economy requires massive investment. The GND will require that investments are targeted to create pathways for low-income people and people of color to access good jobs and improve the lives of communities of color, indigenous peoples, small farmers, women, and workers. It will prioritize investments that benefit disadvantaged groups, such as public transportation, education, health, and other facilities in low-income neighborhoods, replacement of contaminated water systems, and shutdown of power plants that pollute vulnerable populations.

## PROTECT LOW-INCOME ENERGY CONSUMERS

Current fossil fuel energy costs are themselves a prime source of poverty and economic inequality. Low-income households face impossible choices between paying for energy, health, food, and housing. A 2011 national survey found that sometime in the previous five

“ Full employment and good, stable jobs that protect the climate provide part of the basis for the GND. But it must also provide a jobs pipeline for those individuals and groups who have been denied equal access to good jobs. ”

<sup>8</sup> Jacqui Patterson, *Just Energy Policies: Reducing Pollution and Creating Jobs*, NAACP 2013. <http://www.southeastsdn.org/wp-content/uploads/2016/11/Just-Energy-Policies-Reducing-Pollution-and-Creating-Jobs.pdf>



years more than one-third of them had to forgo medical/dental care and purchasing medicines because of high energy bills; almost one in five became ill because their homes were too cold.<sup>9</sup> A report by Arjun Makhijani and associates found that a Maryland household with average income pays 3-4 percent of their income on electricity and heating; low-income households pay 10-20% or more – often leading to malnutrition, hospitalizations, evictions, and homelessness.<sup>10</sup>

The transition to a fossil free economy must remedy this situation, not aggravate it. It can protect low-income consumers from the costs of climate protection by limiting bills of low-income households, increasing energy efficiency, and providing universal solar access to low-income households.<sup>11</sup>

The GND should ensure that the energy bills of low-income families are affordable – generally defined as 6 percent of gross household income. The rest of the energy bills will be covered by public funds from various sources. The long-term social cost of a comprehensive program will likely be lower than the present assistance program, even if the number of recipients increases substantially in the future. The combination of investments in solar energy, efficiency, and weatherization will reduce the amount of assistance needed; in many cases, the bills will be below six percent of income, eliminating the need for assistance. All new public and publicly subsidized low-income housing should be net-zero with solar panels onsite and/or offsite.

## EMPOWER COMMUNITY-LED INITIATIVES

Today, a large swath of community-based, local, and regional programs are already engaged in promoting the transition to a climate-safe economy and society. Even in a government-led transition, they can on their own initiative implement community-based renewable energy production such as rooftop solar collectors, energy use reduction measures such as residential weatherization, financial mobilization through community investment funds, and new patterns of consumption such as shared bicycles. Perhaps most important, they can provide both popular participation in the transition to climate protection and a means to hold the institutions of transition accountable.

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<sup>9</sup> Arjun Makhijani, Christina Mills, and Annie Makhijani, “Justice in Maryland’s Residential and Renewable Energy Sectors,” Institute for Energy and Environmental Research, October 2015, p. 10. <http://ieer.org/wp/wp-content/uploads/2015/10/RenMD-EnergyJustice-Report-Oct2015.pdf>

<sup>10</sup> Arjun Makhijani, Christina Mills, and Annie Makhijani, “Justice in Maryland’s Residential and Renewable Energy Sectors,” Institute for Energy and Environmental Research, October 2015. <http://ieer.org/wp/wp-content/uploads/2015/10/RenMD-EnergyJustice-Report-Oct2015.pdf> Text has been abbreviated and reordered for concision.

<sup>11</sup> Arjun Makhijani, “Beyond a Band-Aid,” Labor Network for Sustainability. <http://www.labor4sustainability.org/articles/beyond-a-band-aid/>



Climate protection programs can counter inequalities and vulnerabilities in local economies. They can require contractors to hire from the local community.<sup>12</sup> They can also use climate protection policies to encourage broad-based local ownership through locally owned small businesses, cooperatives, and public enterprises. Such development can provide needed jobs and services while helping stabilize community economies while protecting them from the unpredictable fluctuations of uncontrollable outside forces. They can also cultivate human capital within localities that have faced an exodus of skilled and educated workers in recent years.

## DEMOCRATIZE DEMOCRACY

When President Franklin Roosevelt introduced his early New Deal programs, he went on the radio for one of his famous “fireside chats” and asked the American people to write to him if they saw signs of corruption and abuse. Thousands did participate in this primitive form of popular accountability by writing him with their concerns.

The GND requires much more sophisticated forms of accountability at multiple levels. The Green New Deal agencies need to meet the highest level of transparency and be subject to internal inspectors-general and the Government Accountability Office and specialized equivalents. An oversight agency independent of the executive branch should supervise the agencies and report to Congress and the public on their progress, identify problems and failures, and initiate course corrections.<sup>13</sup> Compared to the original New Deal, the GND accountability process can be simultaneously more complex and more efficient given the advances in computer technology in recent years.

The federal government, many cities and states, and many corporations, universities, and other institutions have climate action plans, some of them in place for decades. But so far they rarely lay out a pathway to a fossil fuel-free future. Often targets are inadequate; they don’t include policies that will actually reach those targets; they don’t provide good or steady jobs; they conform to prevailing patterns of inequality and injustice; and they function as window-dressing rather than the actual basis of public policy. The GND should establish standards for democratically-determined climate action plans at every level similar to the environmental impact statements legally mandated by many environmental laws. The GND should encourage local community groups, coalitions, and governments to develop and implement

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<sup>12</sup> “Just Energy Policies: Reducing Pollution and Creating Jobs,” NAACP, February, 2014, presents such requirements as a vehicle for racial and economic justice, <http://action.naacp.org/page/-/Climate/JustEnergyPolicies%20Compendium%20EXECUTIVE%20SUMMARY%20FINAL%20FEBRUARY%202014.pdf>.

<sup>13</sup> For an approach based on two agencies, one similar to the War Production Board, the other serving a planning and oversight function, Laurence L. Delina and Mark Diesendorf, “Is wartime mobilization a suitable policy model for rapid national climate mitigation?” *Energy Policy*, July 2013. Available at <http://www.sciencedirect.com/science/article/pii/S0301421513002103>



their own climate action plans at the community level and require such plans for all projects it funds.

## PART 2: MOBILIZE LABOR

A Green New Deal mobilization will require millions of workers. A labor reserve of more than 20 million people who are unemployed, underemployed, or outside the labor force could be available to go to work protecting the climate. However, ways are required to match these workers to the employment sectors where they are needed. At the same time, the jobs have to be matched to the needs of the workers.<sup>14</sup>

“ Government took the leading role in the rapid expansion of education, training, child care, and housing for the new workforce. ”

During World War II, this linking of jobs and workers was done by the War Labor Board, which actively recruited workers to regions and industries where they were most needed. Government took the leading role in the rapid expansion of education, training, child care, and housing for the new workforce.

Some similar policies will be needed by the Green New Deal. To be generally accepted as fair, the transition to a climate-safe economy will require an incomes policy, as was provided during World War II by the War Labor Board. A Nordic-style welfare state system, providing a high level of income for the unemployed combined with strong support for retraining and new jobs, will be necessary to answer fears that change will lead to disaster for workers. Public planning, investment, and incentives for new employment opportunities in affected regions, industries, and occupations can play a similar role. As in World War II, the right of workers to organize and bargain collectively with their employers will be essential to ensure popular participation in the mobilization and protect workers from abuse. In World War II, unions gave up the right to strike, but millions of workers struck anyway; this time, unions should demand that the right to strike be ensured. Full employment will bolster workers' bargaining power, restore the relationship of wage and productivity growth, and reduce the obscene level of income and wealth inequality.

Under the GND, millions of workers will find jobs helping protect the climate. If climate policy produces enough jobs to reduce unemployment, it will benefit nearly all workers. But if fossil fuel use is eliminated, specific groups of workers who extract, process, transport, and use fossil fuels are likely to lose their jobs. If eliminating fossil fuels leads to unemployment and economic disruption, all workers are likely to suffer. If established patterns of unequal access to good jobs remain unchanged, workers who are subject to discrimination and exclusion will receive little benefit from climate protection measures. If the new climate-safe economy

<sup>14</sup> Jeremy Brecher, Ron Blackwell, and Joe Uehlein, “If Not Now, When? A Labor Movement Plan to Address Climate Change,” *New Labor Forum*, July 29, 2014. [http://www.labor4sustainability.org/wp-content/uploads/2014/09/NLF541793\\_REV1.pdf](http://www.labor4sustainability.org/wp-content/uploads/2014/09/NLF541793_REV1.pdf)



replaces good jobs with poor ones, workers who get those jobs will receive little benefit and the conditions of other workers will be subject to downward pressures as well. Green New Deal labor strategies need to address all these concerns in an integrated way.

## LEAVE NO WORKER BEHIND

Many workers depend for their livelihoods on jobs that produce and use fossil fuel energy. While climate protection will produce far more jobs than it eliminates, it may also threaten the jobs of some workers in fossil fuel producing and using industries. It is unjust that any worker should suffer through no fault of their own because of a policy that is necessary to protect society. A Green New Deal must create alternative jobs and/or livelihoods or face mass unemployment—and a resulting rebellion against climate protection.

A Green New Deal must provide a just transition for workers and communities that may otherwise be negatively affected. Generally, jobs should be made available in the locations where workers are or want to be using their existing skills and providing comparable wages and conditions. Employers must retrain and find jobs for those affected; give them priority for new jobs; provide economic benefits that allow not only a decent livelihood but a start on a new life; ensure decent retirement benefits for those who choose it; and invest in local communities to provide them a future beyond fossil fuels.<sup>15</sup> All impacted workers and communities should be included in a deliberative process and have a voice in shaping transition plans.

“ Generally, jobs should be made available in the locations where workers are or want to be using their existing skills and providing comparable wages and conditions.

”

The GND will compensate workers who lose jobs in fossil fuel-related industries and ensure the economic transformation of affected communities and fossil fuel-dependent regions. Workers harmed by climate protection policies should receive full wages and benefits for at least four years; up to four years of education or training, including tuition and living expenses; and decent pensions with health care for those ready to retire. The opportunity for individuals to access higher education and advanced training will also mesh with the need to develop new labor force capabilities for the emerging green economy.<sup>16</sup>

The Green New Deal should require that employers who close plants take responsibility for the workers and communities who have produced their profits. They should:

<sup>15</sup> Arjun Makhijani, “Beyond a Band-Aid: A Discussion Paper on Protecting Workers and Communities in the Great Energy Transition,” Institute for Energy and Environmental Research and Labor Network for Sustainability, [http://labor4sustainability.org/files/pdf\\_06142016\\_final.pdf](http://labor4sustainability.org/files/pdf_06142016_final.pdf).

<sup>16</sup> For a fuller account of just transition policies, see Jeremy Brecher, “A Superfund for Workers: How to Promote a Just Transition and Break Out of the Jobs vs. Environment Trap,” *Dollars and Sense* November/December 2015. <http://www.labor4sustainability.org/wp-content/uploads/2015/10/1115brecher.pdf>. For the Washington state initiative measure spelling out just transition policies see “Initiative Measure No. 1631” at [https://www.sos.wa.gov/assets/elections/initiatives/finaltext\\_1482.pdf](https://www.sos.wa.gov/assets/elections/initiatives/finaltext_1482.pdf)





- Negotiate a jobs agreement with unions representing affected workers.
- Find jobs for affected workers who want them.
- Ensure job retraining for those who need it to fill new jobs.
- Provide decent pensions with healthcare for workers who are not provided other jobs and who do not opt for retraining.
- Create jobs restoring the site.
- Reutilize facilities to replace losses in the tax base.
- Fund job-creating community economic development.<sup>17</sup>

While programs such as Trade Adjustment Assistance (TAA) have often been inadequate at best, there are examples of transition programs that work. From 1994 to 2004 the U.S. Department of Energy conducted a Worker and Community Transition Program that provided grants and other assistance for communities affected by shutdown of nuclear facilities. A nuclear test site in Nevada, for example, was repurposed to demonstrate concentrated solar power technologies.<sup>18</sup>

Alternative jobs can be provided not only in renewable energy but also in other work the public needs; they should be provided not only where existing jobs are lost but where potential fossil fuel jobs are not created because of climate protection policies. For example, the Labor Network for Sustainability study, “The Keystone Pipeline Debate: An Alternative Job Creation Strategy,” laid out how more jobs could be created by renewing water and other pipeline infrastructure than by building the Keystone XL pipeline for tar sands oil.<sup>19</sup>

Protecting threatened workers and communities dependent on fossil fuel jobs needs to start *before* devastating economic disruption begins. The Green New Deal will establish community and worker protection funds to collect money in advance to replace taxes and fees paid by fossil fuel facilities and to invest in good jobs in affected communities. It will target investments in fossil fuel energy communities designed to create jobs before or at the pace that fossil fuel jobs are declining.<sup>20</sup>

“ The Green New Deal will establish community and worker protection funds to collect money in advance to replace taxes and fees paid by fossil fuel facilities and to invest in good jobs in affected communities. ”

<sup>17</sup> Healthy CT Alliance, “Worker Protection Demands for Coal Retirement Campaigns,” <http://www.healthyclalliance.org>.

<sup>18</sup> *Green Growth*, p. 310.

<sup>19</sup> Kristen Sheeran, Noah Enelow, Jeremy Brecher, Brendan Smith, The Keystone Pipeline Debate: An alternative Job Creation Strategy, Economics for Equity and Environment and Labor Network for Sustainability. [http://www.labor4sustainability.org/files/kxl\\_main3\\_11052013.pdf](http://www.labor4sustainability.org/files/kxl_main3_11052013.pdf)

<sup>20</sup> Arjun Makhijani, “Beyond a Band-Aid: A Discussion Paper on Protecting Workers and Communities in the Great Energy Transition,” Institute for Energy and Environmental Research and Labor Network for Sustainability.





A recent LNS study, “Beyond a Band-Aid: A Discussion Paper on Protecting Workers and Communities in the Great Energy Transition”<sup>21</sup> by Arjun Makhijani of the Institute for Energy and Environmental Research proposes:

- A community and worker protection fund (CWP Fund). The fund would collect money in advance to replace taxes and fees paid by fossil fuel facilities and to invest in good jobs in affected communities.

Advance investment in job creation. The CWP Fund, in cooperation with other private and public sources, would make targeted investments in fossil fuel energy communities designed to create jobs before or at the pace that fossil fuel jobs are declining. Examples would include:

- Exporting renewable energy
- HVAC conversion
- Decommissioning facilities
- Economic diversification
- “Beyond a Band-Aid” also lays out a variety of ways to pay for these proposals. They include:
  - Levying a modest carbon fee or tax.
  - Eliminating fossil fuel subsidies and tax breaks.
  - Setting aside funds for decommissioning facilities.
  - Leveraging other investments with the CWP Fund

The “Clean Energy Worker Just Transition Act” proposed by Sen. Bernie Sanders (I-Vt), Jeff Merkley (D-Ore.) and Edward Markey (D-Mass.) illustrates how workers and communities can be protected through just transition legislation. The bill initially targets coal workers, but over time expands to other energy sector workers as well. It provides unemployment insurance, health care, and pensions for up to three years and job training and living expenses up to four years. Employers receive tax incentives to hire transitioning employees. Counties where 35 or more workers become eligible for the program can receive targeted development funds.

The Obama administration’s Power+Plan for Appalachia illustrates an approach to regional just transition that was greeted enthusiastically by Appalachian social justice groups like the Mountain Association for Community Economic Development and Kentuckians For The Commonwealth. While not nearly sufficient in terms of the scale of investment, this proposal for the first time put a just transition for workers in fossil fuel-related industries on the national political agenda. The Power+Plan included:

- \$1 billion over five years to restore lands and waters degraded by decades-old mining and to support related sustainable development projects.

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<sup>21</sup> “Beyond a Band-Aid.”



- \$56 million to invest in job training for laid-off miners and to support economic development efforts in Central Appalachian mining communities. This figure includes an additional \$20 million in job training for miners and power plant workers; an increase of \$25 million for the Appalachian Regional Commission’s annual budget, to be directed at “communities most impacted by coal economic transition”; \$6 million more to the Department of Commerce for “place-based regional innovation efforts,” including grants to economically distressed communities; and \$5 million more for the EPA’s brownfields program to help communities deal with the closure of coal-fired power plants.
- \$3.9 billion over 10 years to shore up health and retirement benefits for many retired miners.

Community just transition plans can learn from the highly successful process that helped local communities adjust to the disruption and job shifting that resulted from the closing of military bases under the Base Realignment and Closing Commission (BRAC). Those communities were provided a wide range of Federal assistance, including planning and economic adjustment assistance, environmental cleanup, Community Development Block Grants, and Community Service Grants.

Workers dislocated by base closings also received extensive support. The Department of Defense itself provided advance notification of a reduction in force; pre-separation counseling; a hiring preference system with federal agencies to re-employ qualified displaced DOD employees; and financial incentives to encourage early retirement of those eligible. Workers affected by base closings were also eligible for help under National Emergency Grants, “Rapid Response” programs, comprehensive assessments and development of individual employment plans, and job training.

Communities and individuals adversely affected by climate protection policies could be similarly targeted for assistance from such existing programs as the Department of Labor’s Rapid Response Services and the National Emergency Grants of the DOL’s Employment and Training Administration, as well as funding for economic development and industrial efficiency and modernization from the Departments of Energy and Commerce.

“ Community just transition plans can learn from the highly successful process that helped local communities adjust to the disruption and job shifting that resulted from the closing of military bases under the Base Realignment and Closing Commission (BRAC). ”



## GUARANTEE JOBS FOR ALL

A Green New Deal should be designed to provide the maximum number of good, secure, permanent jobs with education, training, and advancement. Studies such as the Labor Network for Sustainability's "The Clean Energy Future" show that renewable energy and energy efficiency will produce substantially more jobs than fossil fuels. They will contribute to job growth in manufacturing, construction, operations, and maintenance. Nonetheless, climate protection is unlikely in itself to fully eliminate unemployment.

To counter the insecurity of working class life in general and the specific fear that climate protection may lead to job loss, climate protection policies need to incorporate the principle of a job for everyone who wants one. The frontline of establishing full employment can be the expansion of jobs that support climate protection. Keynesian macroeconomic full employment policies are necessary both to ensure jobs for all who want them and to mobilize the productive capacity needed to build a climate-safe society.

Where other policies have not led to full employment, government should serve as the employer of last resort for all who want to work, putting them to work on climate protection and other socially needed activities. Such a program should be combined with a "Nordic-style" welfare system that provides financial support for the unemployed close to that of employed workers, combined with job training, regional economic development, and other strong support for re-employment.<sup>22</sup>

The federal jobs guarantee (JG) is a concept also known as "jobs for all" and the federal government as "employer of last resort."<sup>23</sup> It envisions a federal program somewhat like the New Deal's Works Progress Administration (WPA) that would provide funds for non-profit

“ To counter the insecurity of working class life in general and the specific fear that climate protection may lead to job loss, climate protection policies need to incorporate the principle of a job for everyone who wants one.

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<sup>22</sup> For Nordic welfare systems see Jeremy Brecher, "Labor, Sustainability, and Justice," Labor Network for Sustainability, August 17, 2011, <http://www.labor4sustainability.org/wp-content/uploads/2011/09/labor-sustainability-and-justice.pdf> ;

<sup>23</sup> Principal proposals for a jobs guarantee include "Sunrise Jobs Guarantee Policy Primer," Sunrise Movement, April 2018. <https://docs.google.com/document/d/11NIA3s87CiQugpbzt3sJXkw3d10YKF0m9rjrrqpYAYA/edit> ;

Pavlina R. Tcherneva, "The Jobs Guarantee: Design, Jobs, and Implementation" Levy Economics Institute, April, 2017. [http://www.levyinstitute.org/pubs/wp\\_902.pdf](http://www.levyinstitute.org/pubs/wp_902.pdf)

Mark Paul, William Darity, Jr., and Darrick Hamilton, "The Federal Job Guarantee – A Policy to Achieve Permanent Full Employment" commissioned by the Center on Budget and Policy Priorities. <https://www.cbpp.org/research/full-employment/the-federal-job-guarantee-a-policy-to-achieve-permanent-full-employment>.



organizations, local governments, and other agencies serving the public to employ anyone who wants a job at a wage roughly comparable to the demands of the Fight for \$15 campaign.

A federal jobs guarantee will provide jobs for all who want them in their own communities performing socially useful work. It will be established by federal legislation, funded by the federal government, and run under the jurisdiction of the Department of Labor. It will be primarily administered by local and municipal governments, nonprofits, social enterprises, and cooperatives. In contrast to the WPA it is a permanent program, though its size can be expected to vary depending on economic conditions and social needs.

The JG will not exclude any individual or group of people who want to work. It will make whatever special provisions are necessary to employ veterans, at-risk youth, ex-convicts, people with disabilities, and other people with special needs and/or barriers to employment. Like the WPA, it will fit jobs to people, providing employment that is appropriate to their education, skill, and experience. It will provide part-time and flexible work arrangements for those who need them.

The jobs provided by this program will pay an estimated \$15 per hour plus benefits, including health insurance. Because it guarantees that every person who wishes to work can find a public-option job with a wage twice the current federal minimum wage plus benefits, the JG “establishes the labor standard that must be met by all employers in the private, public, or nonprofit sectors,” ensuring that “no working person would live in poverty.”<sup>24</sup> It will provide education, training, and apprenticeship opportunities.

The JG will establish “community jobs banks” which find and list available and potential jobs in the communities where they are needed. It will create the greatest number of jobs in communities with the greatest number of people needing work, and will target those groups that have been deprived of fair access to good jobs. The JG will assess community needs and resources to “match unfilled community needs with unemployed or underemployed people who could work to meet them.”

The JG is a new program that does not replace existing programs. People will have a choice between receiving unemployment insurance, welfare benefits, or working under the JG program. JG is an employment program, not a workfare program that requires people to work in order to receive other benefits to which they are entitled like Medicaid, SNAP, or Head Start. It does not displace existing public or private sector work.

One of its proponents points out that this program is an investment in the public good. It “separates the offer of employment” from “the profitability of employment.” Projects are

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<sup>24</sup> Pavlina R. Tcherneva, “The Jobs Guarantee: Design, Jobs, and Implementation.”



“created to serve community needs,” rather than “prioritizing whether the projects are deemed ‘profitable’ in the narrow sense.”<sup>25</sup>

A climate jobs guarantee proposes a jobs guarantee program that is geared to the transition to a climate-safe, fossil-free economy. It should be designed to accomplish four principal objectives:

## Justice

The JG provides a powerful weapon against poverty, inequality, and injustice. It will eliminate poverty among nearly all who want to work by providing a living wage and benefits to everyone who will take a job. Because the program is open to all, it ensures that those who have been most excluded from remunerative employment for whatever reason are guaranteed a job with benefits at an above-poverty level. It therefore has the greatest beneficial impact on the most marginalized and discriminated-against people. By lifting up those who have been at the bottom economically it directly reduces inequality. The program is designed to further realize these objectives through recruitment, training, and job design focused on those who have been excluded from good jobs.

The JG, unlike many social policies that aim to “raise the bottom,” will directly benefit the millions of people who are currently outside the workforce. These people do not show up in unemployment statistics; they only show up in the low proportion of Americans who are in the labor force. These people have little reason to hope they can make a living through a job. The jobs guarantee will provide them both the opportunity and the incentive to join the workforce.

“ The JG, unlike many social policies that aim to “raise the bottom,” will directly benefit the millions of people who are currently outside the workforce. ”

The JG will also provide jobs with benefits for the millions who are unemployed or involuntarily working only part time. This will benefit not only those who have been laid off from steady jobs, but the larger number of workers for whom intermittent involuntary unemployment is the norm.

The JG will drive up the wage floor in the rest of the economy since workers who are paid less than \$15 an hour plus benefits will have the option to shift to the JG program. That enormously increases their bargaining power and means that employers must pay a comparable wage-benefit package to retain their workforce. The JG is therefore an effective means to achieve the objectives of the Fight for \$15.

The JG will help increase all workers’ power by strengthening their ability to organize and bargain collectively. It should be designed to create a sector of the economy that guarantees

<sup>25</sup> Pavlina R. Tcherneva, “The Jobs Guarantee: Design, Jobs, and Implementation.”



worker protections and standards, including workers' right to organize, bargain collectively through representatives of their own choosing, engage in concerted action, and retain their Constitutional rights on the job. It will eliminate the proverbial "long line of job seekers outside the employer's door" that undermines the power of workers to effectively bargain with employers.

### **Climate protection and other public purposes**

The climate jobs guarantee, by drawing millions of people into the workforce, will provide the labor power needed for an emergency mobilization to transition to a fossil free, climate safe economy, as well as to meet a wide range of other public purposes. In this it resembles the homefront mobilization in World War II through which the war effort was able to meet its need for millions of workers. Without such an increase in the available workforce, the creation of millions of climate jobs will be stymied through labor shortages leading to uncontrolled inflation. The JG will provide work experience and training that will allow its participants to move into higher skilled, higher wage jobs in the private and public sectors.

In addition to climate protection, workers in the JG program will also help meet a wide range of needs that can help reduce injustice and create a better way of life for all. These range from education to housing to environmental protection and improvement. The WPA produced schools, parks, post offices, and other amenities that we still celebrate today; The JG can do the same.

### **Countering economic cycles**

For many advocates of a jobs guarantee, a primary purpose is to counter the economic cycles of boom and bust. In times of recession, the millions of people thrown out of work not only constitute a monstrous accumulation of injustice and human misery; their loss of income leads to a decrease in effective demand (aka purchasing power) that aggravates the downward spiral of the economy. The JG automatically counteracts this tendency by employing a high proportion of those who have lost their jobs, thus maintaining their incomes and the economy's effective demand. When the economy expands, many workers will choose to leave the JG for better jobs, providing an expanded workforce for the private and public sectors. JG workers who are needed for climate protection and other essential activities can then transfer to these other sectors.

### **Economic democratization**

The JG provides a way to challenge our society's growing democracy deficits. According to one advocate, it can encourage "citizen engagement, public decision-making, and local





institution building,” for example through local participatory budgeting and community input about local projects.

Because the program aspires for citizen input, because it drastically reduces the threat of unemployment, because it puts pressure on punitive labor practices in the private sector, because it establishes a labor standard for pay and working conditions, and because it focuses exclusively on investing in the public good, it can be an institution with profound democratizing tendencies, and a conduit for transformative change in the workplace, people’s everyday lives, and the economy as a whole.<sup>26</sup>

The JG also provides opportunities for workers and communities to experiment with alternative, more democratic forms of enterprise, such as coops and public utilities. The JG should encourage such experiments and ensure a level playing field for them.

The jobs guarantee, like the WPA, is based on hiring people without regard to their existing skills and then matching people with available jobs. The jobs created by climate policy will not automatically fit the workers in the JG program. Conversely, the jobs included in most current JG proposals, while worthy, will only incidentally include jobs that help protect the climate. How can a climate jobs guarantee contribute to a Green New Deal -- a massive, rapid transition to climate safety that at the same time provides a massive, rapid reduction of poverty and economic marginalization?

This question arises in part because the American workforce has effectively been divided into a low-wage, low-job quality sector in which people of color, women, youth, and other disfavored groups have been concentrated, and a higher-wage, more secure sector which disproportionately includes white men. Many of the millions of jobs required to protect the climate will be infrastructure jobs that generally require skills acquired through apprenticeship, education, advanced training, and opportunity to work in favored jobs and industries. But an expansion of infrastructure jobs alone will not ensure employment for those who don’t already have higher-level skills.

The transition to a climate safe, fossil free economy will entail millions of jobs that do not require a high skill level. Jobs requiring minimal experience or on-the-job training include weatherization and energy efficiency improvements, waste removal and recycling, tree-planting, and wetland restoration. Jobs requiring some experience, education, or certification include energy auditing, building electrification, solar, wind, and geothermal installation, and mass transit electrification, plus all of the administrative and clerical duties that accompany such projects.<sup>27</sup> The GND will need to provide jobs for all while ensuring that those who have

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<sup>26</sup> Pavlina R. Tcherneva, “The Jobs Guarantee: Design, Jobs, and Implementation.”

<sup>27</sup> For an extensive listing of jobs that might be suitable for a “green jobs guarantee,” see Greg Carlock, “A Green New Deal,” *Data for Progress*, September 2018, p. 18.





been excluded from access to training, apprenticeship, and job experience have a pathway to higher-skilled employment.

A federal jobs guarantee will require federal legislation, although smaller-scale experiments can be tried out first at state and local levels. The Department of Labor or another federal agency will host the program and establish guidelines. These could include priority for particular populations such as minorities excluded from the workforce and types of projects like residential energy efficiency.

Requests for proposals (RFPs) will invite public, nonprofit, and cooperative agencies to submit proposals. Approved proposals will be listed in a Jobs Bank for job seekers and will be implemented by the organizations submitting them.

Local agencies will publicize the JG, especially to those populations most in need of it. Interested people will be encouraged to visit their local One-Stop Jobs Centers, which will serve as the information and intake hubs for the JG. Those visiting the Job Centers will be told about the JG opportunities along with other options. Since the program will be run so that jobs are available to all applicants, those who accept a JG job will be hired and go to work.

Training, education, and apprenticeship programs will be designed to meet the needs of program participants, JG projects, and the wider economy. The program will construct ladders into higher-level employment in the private and public sectors. Participants will be free to leave and seek jobs in private and public sectors. Conversely, those who leave the program will be eligible to return if conditions elsewhere lead them to wish to do so.

Five policies are required to make climate protection programs mesh with the JG:

1. Priority in climate programs to jobs covered under the JG.
2. Training within the JG to help workers move from “minimum experience” to “some experience” jobs. An example would be training weatherization workers to perform more sophisticated “deep efficiency” retrofits. Programs like Oakland’s Green Jobs for All and Emerald Cities provide considerable experience with such workforce development.
3. Apprenticeship and job training to equip JG workers to move into permanent climate jobs in the public and private sectors. This may require tailoring and greatly expanding apprenticeship programs with preference for JG candidates.
4. Preference for hiring JG workers in publicly funded climate programs.



5. Means to transfer JG work units to the public and private sectors. This could include, for example, turning JG projects into municipal agencies and/or allowing them to become subcontractors to the private or government sectors.

These policies will build the JG into the core of climate protection programs. At the same time they will shape the JG to maximize its contribution to climate protection.

## ENSURE WORKERS RIGHTS AND GOOD UNION JOBS

Climate protection will inevitably provide jobs. But can it provide good jobs?

For several decades, the tendency of the U.S. economy has been toward insecure, contingent work, often with low wages and few health insurance, pension, or other benefits. “Green jobs” can similarly be marked by low wages, health and safety hazards, and gross violation of labor rights. Climate protection will therefore require deliberate policies to raise wages and increase job security, especially for those at the lower end of the labor market, to counter that tendency.

The Green New Deal should be designed for sustained, orderly development of the work sectors where climate protection jobs are concentrated.<sup>28</sup> This requires planning for technical and physical development and for financing. It needs to include pay and benefit standards that provide a decent life and future for working families. It needs to support “high road” employers, prevailing wage provisions like those required by the Davis-Bacon Act, and project labor agreements negotiated between unions and employers to ensure that climate protection jobs elevate rather than depress wages and working conditions.<sup>29</sup>

The deterioration in quality of jobs is directly related to the reduction in the size and bargaining power of labor unions. Reinforcing the rights of workers to express themselves freely, organize, bargain collectively, and engage in concerted action on the job should be an explicit part of public policy for the climate protection sector, as it was for war industries during mobilization for World War II. Workers should be the ones to decide whether or not they want union representation; employers in the climate sector should be required to sign and abide by neutrality agreements.

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<sup>28</sup> While in most instances public policy should aim to provide stable long-term employment, in the case of construction workers who normally work on relatively short-term jobs, it should include mechanisms to provide steady employment as workers move from project to project.

<sup>29</sup> Good Jobs First, “High Road or Low Road? Job Quality in the New Green Economy,” February 3, 2009, <http://www.goodjobsfirst.org/sites/default/files/docs/pdf/gifgreenjobsrpt.pdf> recommends among other things that “green jobs” specify wage requirements for subsidies; wage standards and prevailing wage requirements for contractors; and web-based disclosure of company compliance.



Under both Democrats and Republicans the rights of working people have been eroded to almost nothing. Labor law as amended by Congress and interpreted by the courts has become less a protection for workers and unions than a means to restrict their freedom of action. Simply rolling back recent conservative victories like the Supreme Court's Janus decision or the NLRB's reducing university employees' bargaining rights, while necessary, is not enough. The Green New Deal – like the original New Deal – must establish a new framework that protects workers' fundamental Constitutional and human rights. That framework should:

**Restore the right to organize, bargain collectively, and engage in concerted action on the job.** These rights were originally protected by the New Deal's National Labor Relations Act, but they have been eroded – if not turned into their opposites – by legislation, court decisions, and the unlimited power of employers to discipline and fire their workers.

**Guarantee the Constitutional rights to freedom of speech and assembly in the workplace.** These rights are essential to workers' freedom to organize as they see fit. They are also essential aspects of human rights and human dignity that should not be eliminated once you enter the workplace.

**Restore the right to strike.** In the half-century following the Civil War, American workers movements maintained that the right to strike was a fundamental Constitutional right, guaranteed by the 13<sup>th</sup> Amendment's prohibition of "involuntary servitude." They did not accept the right of an employer to use injunctions to suppress strikes. On the eve of the New Deal their view was embodied in the Norris-LaGuardia Anti-Injunction Act of 1932, which barred federal courts from issuing injunctions in labor disputes.

**Guarantee the right to a safe and healthy work environment.** The Occupational Safety and Health Act (OSHA) of 1970 supposedly assured "safe and healthful working conditions for working men and women," but it was deeply flawed from the outset and was progressively gutted over time. A Green New Deal can help meet both labor and environmental goals by banning all unhealthy pollution and practices throughout the world of work.

**Provide a fair and just transition for workers whose jobs may be threatened by economic change.** This should include but not be limited to change that results from the transition to a climate-safe economy. It should include an updated version of the GI Bill of Rights that gave returning World War II veterans education, housing, medical, and other benefits to make a new start on life and economic development support for communities affected by economic transition.



**Establish fair labor standards.** The New Deal’s 1938 Fair Labor Standards Act (FLSA) provided minimum wages, limited the hours of work, and established other protections for workers. Today the minimum wage is so low that it fails even to ensure even a poverty-level income. In practice workers can be made to work for as few or as many hours as their employers want. New labor standards should ensure that anyone who works gets a living wage; employees are provided predictable hours of labor; and that workers may not be fired without just cause.

**Establish strong state and local prevailing wage laws.** The Davis-Bacon Act, passed on the eve of the New Deal, requires that all contractors and subcontractors performing federally-funded construction, alteration, or repair work must pay their workers no less than the prevailing wages and benefits for corresponding work on similar projects in the area. These standards increase the wellbeing of all construction workers as well as give unionized contractors a fair shake by removing wages from the competitive bidding process for construction and renovation jobs. A Green New Deal should implement prevailing wage laws for all climate-protection jobs, all state- and locally-funded projects, and other industries.

**Encourage industry-wide bargaining.** The labor relations system established by the New Deal often led to industry-wide collective bargaining in which all steelworkers or auto workers were united in their confrontations with management. Today workers in each industry and each corporation are often represented by dozens of different unions who all bargain separately with little coordination. A Green New Deal can encourage bargaining councils and other forms of coordination that promote higher wages and prevent a race to the bottom by taking wages out of competition.

## PART 3: MOBILIZE MONEY AND MATERIAL RESOURCES

When people hear about the Green New Deal they are likely to wonder, “where will the money come from?” They understandably fear that the costs will be enormous and that they will have to bear that burden through higher taxes. But this ignores the fact that a fossil free economy will be much cheaper than the current fossil fuel model. It also fails to take into account the opportunity for correcting our extreme inequality by taxing the rich to help pay for climate protection. It disregards the trillions of dollars that American banks, corporations, and investors have lying unused in their bank accounts – much of it from government giveaways they have received as “economic stimulus.” And it ignores the enormous resources of the



fossil fuel industry that should be used to pay for the damage they have done to the earth and every one of its people. The GND will use the financial benefits of fossil-free energy, the ill-gotten gains of the wealthy, and the wealth of the fossil fuel industry itself to ensure that ordinary Americans are far better off as a result of the transition to climate safety.

## CAPTURE THE BENEFITS OF THE TRANSITION TO FOSSIL FREE ENERGY

The principal elements of a new, climate-safe economy are energy efficiency, demand reduction, and GHG-free renewable energy. All of these are cost-efficient—in the long run, they will be cheaper and provide more benefits than burning fossil fuels. The Labor Network for Sustainability report, “The Clean Energy Future,” shows a pathway for meeting climate protection goals that will simultaneously create more jobs and reduce the cost of electricity, heating, and transportation compared to the fossil fuel economy. In the long run climate protection will pay for itself.

Large investments currently go to maintaining, replacing, and expanding fossil fuel infrastructure. The GND will redirect that investment stream to building a fossil free economy, replacing lost energy jobs, and other GND programs. Likewise all the money that would have been spent on coal, oil, and gas can go into the pockets of consumers and help pay for the GND.

Other GND programs will also result in substantial savings compared to “business as usual.” A jobs guarantee program, for example, will pay a large part of its cost through the reductions it will allow in unemployment insurance, food stamps, Medicaid, and other social programs and the value added to the economy by the goods and services it produces – in particular goods and services that reduce the staggering cost of climate change.

## MAKE THE POLLUTERS PAY

The fossil fuel industry can and should bear much of the burden for the damage it does to humanity and the planet through taxes, fees, permit costs, and other charges which can be used to pay for the GND. This can be done at a state and local as well as a national level.<sup>30</sup>

Tax policy can help discourage carbon emissions while reversing our growing income inequality. Progressive taxation, particularly on carbon-wasting luxury goods like private jets, can counteract negative effects on income equality. Such devices as energy pricing incentives, user fees, and on-bill financing (which allows energy consumers to pay for energy-saving investments out of the resulting savings on their energy bills) can also play a role.

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<sup>30</sup> Sasha Abramsky, “This Washington State Ballot Measure Fights for Both Jobs and Climate Justice,” *The Nation*, July 20, 2018 <https://www.thenation.com/article/green-new-deal-evergreen-state/>



Another potential source for funding the transition to climate safety can be legal damages and fines collected from corporations for environmentally harmful practices. The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) enacted in 1980, known as the “Superfund” law, provides broad federal authority to clean up hazardous substance releases and authorizes the US Environmental Protection Agency to compel the parties responsible to pay for the cleanup—even if the releases happened long before the legislation was passed. Governments may take legal action to recover “natural resource damages”—as seen in the settlements for the 1989 Exxon Valdez and 2010 BP oil spills, for example. The GND should include litigation and legislation to hold fossil fuel producers and emitters responsible for their colossal damage to the atmosphere—and the colossal cost of remediating it.<sup>31</sup>

## CUT WASTEFUL AND UNNECESSARY SPENDING

The United States now spends as much on the military as the next seven highest spenders combined. The use of this money, aside from pure waste, has been for a series of wars, many of them illegal under national and international law, none of which has been successful, all of which have caused incalculable human and material harm, and none of which has contributed to the security of the American people. Many of them have been motivated by the pursuit of fossil fuels and all have contributed to global warming.

Many military authorities now recognize that climate change is a root cause of many regional conflicts as communities fight over dwindling arable land and water. Confronting climate change could reduce conflict and promote global peace and security. Transfer of funds from the military budget to the GND would enhance the security of individuals and our country.

## MOBILIZE INVESTMENT

Climate protection will inevitably have some start-up costs, so investments have to be made in order to realize the benefits. The payback period is far shorter than many other investments, providing a high rate of return on investment. Nonetheless, private markets have failed to make adequate investment in renewable energy and increased energy efficiency, even where it would have been profitable to do so.<sup>32</sup> If the market won't pay the start-up costs for the

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<sup>31</sup> See Mary Christina Wood, *Nature's Trust* (New York: Cambridge University Press, 2014), “Recouping Natural Resource Damages,” p. 185ff. For a proposal on recouping natural resource damages at a global level, see Julie-Anne Richards and Keely Boom, *Carbon Majors Funding Loss and Damage* (Berlin: Heinrich Boll Foundation, 2014), [http://www.boell.de/sites/default/files/carbon\\_majors\\_funding\\_loss\\_and\\_damage\\_kommentierbar.pdf](http://www.boell.de/sites/default/files/carbon_majors_funding_loss_and_damage_kommentierbar.pdf)

<sup>32</sup> Private investment in fossil fuel reducing activities has not been forthcoming even in many cases where such investments would have paid for themselves or even made a profit. A 2007 study by the McKinsey consulting firm found that the U.S. could rapidly cut 28 percent of its greenhouse gases at fairly modest cost and with only small technological innovations. According to study director





transition to climate safety, how can it be paid for?

Public borrowing through bond sales can provide substantial and inexpensive funds due to the ability of the Federal Reserve to buy public infrastructure bonds at low rates. Public purpose banks, credit unions, and investment and loan funds can provide more decentralized financial resources, especially for smaller-scale and community-based projects. If need be, the Federal Reserve can simply buy infrastructure bonds, just as it did with Treasury securities in 1940 to finance the war effort.

During World War II, 85 million Americans bought \$185 billion in war bonds and similar securities—the equivalent of more than \$2 trillion in today's dollars. They did so both because it was a good investment and because it was perceived as a patriotic duty. The GND will establish a program of climate bonds for the public. These should be a good investment for individuals, particularly as an alternative to today's gutted pension plans and unattractive retirement investments. And they should be promoted as a way that individuals and institutions can participate in the mobilization for climate protection. If we are to provide tax credits for energy investments, they should go first and foremost not to the 1% but to ordinary citizens who can use them to increase their economic security and retirement savings.

Thousands of individuals and institutions are currently joining the fossil fuel “divest-invest” movement, modeled on the highly successful movement to disinvest from Apartheid South Africa. Religious organizations, unions, municipalities, foundations, and many other institutions are withdrawing their investments from fossil fuel companies; divestment pledges are now in the trillions of dollars. But strategies to invest the freed-up money in climate protection have only just begun. The federal and state GNDs should take the lead by divesting from all fossil fuel investments and creating revolving funds for the transition to a climate-safe economy. They should then lead a campaign for all individuals, institutions, and businesses to divest from fossil fuels and invest the proceeds in the revolving funds.

Municipal governments and institutions such as universities, museums, churches, and schools are important economic actors. The GND will encourage them to make investment in reducing their GHG emissions their first investment priority. They can invest in fossil fuel reduction programs in their neighborhoods and communities and invest the resulting savings in climate protection initiatives. They can serve as “anchor institutions” for the transformation

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Jack Stephenson, “These types of savings have been around for 20 years.” But according to another research team member, “There is a lot of inertia, and a lot of barriers.” To give but one example, if tenants pay for their heating, landlords have no incentive to buy any but the cheapest, least energy efficient furnaces. Matthew L. Wald, “Study Details How U.S. Could Cut 28% of Greenhouse Gases,” *New York Times*, November 30, 2007. <http://www.nytimes.com/2007/11/30/business/30green.html> See also LNS, *The Clean Energy Future, for an analysis of the failure of private capital to invest in GHG-reduction.*

These findings raise doubts that policies that rely on charges for carbon emissions will in fact promote massive investment in climate protection activities.





of their surrounding communities, using their purchasing power to support and encourage local economic development.

## SUPPORT AND FUND A GLOBAL GREEN NEW DEAL

Realizing the goals of the GND requires global cooperation. Governments must work together to create a global framework that supports climate-friendly jobs and development—what has been called a “Global Green New Deal.” That requires the world to abandon neoliberalism and adopt a new strategy that puts the world’s human resources to work meeting the world’s desperate need for economic transformation that radically reduces GHG emissions. A global climate protection investment fund is necessary on a scale that mobilizes all under-utilized human and material resources worldwide. Rather than fighting each other for climate-protecting jobs, workers in different countries will benefit from national policies and international agreements that encourage countries to cooperate in sharing green technologies and expanding production for climate protection. Legally binding international agreements must phase out and ban the use of fossil fuels worldwide. Both climate protection and economic cooperation ultimately require demilitarization and policies of global common security.

According to the International Labor Organization (ILO), 190 million workers were unemployed worldwide in 2018. Unspent cash in the accounts of large enterprises reached \$5 trillion. The GND should initiate a global trust fund designed to mobilize global human, financial, and material resources for job-creating climate protection.<sup>33</sup>

How large should such a fund be? At least large enough to mobilize all unused and underused human and material resources that can help the transition to a climate-safe world. A study sponsored by the World Economic Forum evaluated how much global investment is needed for “clean-energy infrastructure, sustainable and low-carbon transport, energy efficiency in buildings and industry, and for forestry” to limit the global average temperature increase to 2° Celsius above pre-industrial levels.<sup>34</sup> It found that at least \$0.7 trillion needs to be invested annually beyond current levels. Therefore, between 1 and 2 percent per year of global GDP needs to be invested effectively in climate protection worldwide.

Where can the money come from? As with funding for the for national GND, global funding can come from taxing, borrowing, recovery of damages, and mobilizing unused resources through global fiscal policies. Taxes can include a tax on carbon emissions and a “Robin Hood”

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<sup>33</sup> *World Employment Social Outlook, Trends 2018* (Geneva: International Labor Office, 2018). For a fuller discussion of a global trust fund see *Climate Insurgency*, Chapter 9, “A Global Trust Fund for the Global Public Trust.” For an interesting historical precursor, see Brecher, Costello, and Smith, “Global Labor’s Forgotten Plan to Fight the Great Depression,” *History News Network*, March 22, 2009, <http://historynewsnetwork.org/article/69169>.

<sup>34</sup> Jeremy Brecher, *Climate Insurgency*, p. 103.



tax on financial transactions. Global fiscal policy should include the use of IMF Special Drawing Rights or other forms of “paper gold.”<sup>35</sup>

A Global Green New Deal fund can be the starting point for global macroeconomic policies designed to counter inadequate and fluctuating global economic demand and the “race to the bottom” of unregulated global competition. If such an approach represents a breach with the dominant neoliberal ideology, so much the better.

Globalization, neoliberalism, and free-trade agreements have pitted the workers of the world against each other in a fight for climate-protecting jobs. For example, China is allocating massive public resources to developing a “green energy economy.” In the context of global competition, this is harming parts of the solar and wind power industries in the United States. In response, some unions and others have advocated punishing China under WTO rules for encouraging climate protection.

A GND will not pit workers against workers and discourage the growth of climate-protecting industries and jobs abroad. It will oppose both escalating trade wars and the free trade utopia of neoliberalism. Instead, it will pursue mutually managed trade that encourages all countries to develop their climate protection industries and technologies as rapidly as possible, while allowing the benefits to be shared in a way that protects workers in both developing countries and developed countries—not to mention the planet as a whole.

The GND will pursue international agreements to promote green technology sharing to help reduce the cost and expand the market for climate-protecting goods and services. Such agreements will revise, trump, or carve out an exception to WTO rules for climate-protecting trade. Cooperation can start on a bilateral basis—for example, between the U.S. and China—but should expand into a global regime for promoting the climate protection economy. Such agreements can provide the beginning of an alternative to WTO-style unregulated globalization.

Far from discouraging government subsidies for climate protection jobs, the GND will encourage all countries to compete to see who can provide the most effective financial support for climate protection. In this context it will encourage all jurisdictions at home and abroad to establish reasonable local content requirements for climate-protecting procurement and other measures to stabilize local economies and deter “leakage” of jobs and investment to locations that encourage high levels of worker exploitation and environmental degradation.

A Global Green New Deal epitomizes the interests of working people worldwide for full employment through climate protection. It represents a program that can unify climate

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<sup>35</sup> Brecher, *Climate Insurgency*, p. 104-7, for the use of Special Drawing Rights—“paper gold”—for a global climate protection fund.



protection and anti-austerity forces in all countries and provide an alternative to the failures of neoliberalism.

## CONCLUSION: “WE DO OUR PART”

Although they were led from above, the New Deal and the mobilization for World War II succeeded because millions of people supported and participated in them. While their forms of participation were far from perfect, they depended on popular mobilization to realize constructive change.

The slogan of the National Recovery Administration, one of the first New Deal initiatives, was “We Do Our Part.” It appeared on posters in shop windows and on patches sewn on garments produced under NRA rules.

That’s a slogan the Green New Deal could adopt as well. Even the best policies will not make the GND work if they are imposed from above but not supported and made to work from below. To realize the GND goals millions of us will need to make the pledge:

“We Do Our Part.”