



Making "Build Back Better" Better: Aligning Climate, Jobs, and Justice

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LABOR NETWORK FOR SUSTAINABILITY DISCUSSION PAPER



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The purpose of this paper is to provide a framework for conversation in the LNS community and the broader labor and climate movements. We hope it will be a living document that continues to evolve as the knowledge and insight of additional dialogue partners contribute to its development. Please send comments to: info@labor4sustainability.org.

At the end of March 2021, President Joe Biden laid out his \$2 trillion American Jobs Plan–part of his Build Back Better infrastructure program to "reimagine and rebuild a new economy." [1] Congress is expected to spend months debating and revising the plan. The public and many special interests will play a significant role in that process. President Biden has promised to follow up with additional proposals to further address climate policy and social needs.

Many particular interests will seek to benefit from the overall Build Back Better program, and that's good. But as Congress and the public work to shape the ultimate form of that program, we also need to keep our eyes on the ultimate prize: combining climate, jobs, and justice. What policies can integrate the needs of working people, the most oppressed, and our threatened climate and environment?

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UNITED to 30330

The Green New Deal reconfigured American politics with its core proposition: fix joblessness and inequality by putting people to work at good jobs fixing the climate. Build Back Better has put that idea front and center in American politics. Now we need to specify strategies that will actually achieve all three objectives at once.

There are many valuable plans that have been proposed in addition to Build Back Better. The original Green New Deal resolution sponsored by Sen. Ed Markey and Rep. Alexandria Ocasio-Cortez; the THRIVE (Transform, Heal, and Renew by Investing in a Vibrant Economy) Agenda; the Evergreen Action Plan; the Sierra Club's "How to Build Back Better" economic renewal plan; the AFL-ClO's "Energy Transitions" proposals; the BlueGreen Alliance's "Solidarity for Climate Action," and a variety of others. All offer contributions for overall vision and for policy details.

There are six essential elements that must be integrated in order to realize the Build Back Better we need for climate, jobs, and justice:

- Managed decline of fossil fuel burning
- Full-spectrum job creation
- Fair access to good jobs
- Labor rights and standards
- Urgent and effective climate protection
- No worker or community left behind

These strategies can serve as criteria for developing, evaluating, and selecting policies



to make Build Back Better all that it could be.

MANAGED DECLINE OF FOSSIL-FUEL BURNING

Biden's Build Back Better plan seeks 100% carbon-free electricity by 2035 and net zero GHG emissions by 2050. No firm goal has been announced for 2030, but Climate Action Tracker says the U.S. needs to cut around 60% of its GHG emissions by 2030 to reach this 2050 goal. [2]

Biden's timetable is not enough to halt colossal climate damage. It will go on adding to the GHG emissions that are already in the atmosphere. But it does provide targets for initial planning and emission reductions, which can be augmented later. The most important thing is to get started on reducing emissions immediately and start planning for the subsequent stages.

> Right now we are seeing a chaotic, unmanaged decline of fossil-fuel industries. This is most evident in coal, where declining demand and collapsing profitability are leading to massive mine and power plant closings, job loss, destruction of coal communities, and decimation of unions. In the COVID-19 pandemic we also saw devastation of oil and gas employment. With the fall in the relative cost of renewable energy in relation to fossil fuels, the future holds more of the same for coal, oil, and gas. Public policy and civil society actions like divestment and protest will further squeeze fossil fuel industries.

The alternative to such chaotic decline is a managed decline in fossilfuel use. This requires setting step-by-step targets for reduction and then implementing policies to manage the consequences. (Programs to protect workers and communities are addressed in section 6, "No Worker Left Behind.") According to the 2020 "Production Gap Report," "the world will need to decrease fossil fuel production by roughly 6% per year between 2020 and 2030" to reach the Paris goal of 1.5°C. Countries are instead planning and projecting an average annual increase of 2%, which by 2030 would result in more than double the production consistent with the 1.5°C limit. [3]

Fortunately, the U.S. can realize 90 percent clean energy by 2035 while actually lowering wholesale power costs because of the falling cost of renewable energy. [4] Here is what we need to do now:

- 1. Ensure legally binding enforcement of GHG emissions limits through renewable portfolio standards (RPSs) and other regulations, not just "incentives" like subsidies or cap-and-trade.
- 2. Impose a freeze on new fossil fuel infrastructure.
- 3. Phase in additional shutdowns initially focused on health promotion and reducing pollution of frontline communities.



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4. Move toward planned investment in replacement alternative energy and energy-use reduction to prevent shortages and hardships.

FULL-SPECTRUM JOB CREATION

The existing U.S. labor market is segmented, stratified, and highly unequal. Tens of millions who want to work are unemployed or defined as outside the official workforce. Forty percent of the workforce earn less than \$15 per hour with few or no benefits while a few workers make \$100,000 a year or more. Millions have no marketable skills while employers bid for a small number with special skills and talents. Some have unimpeded access to whatever jobs are available while others have been systematically excluded by race, gender, geography, legal status, and background from all but the worst available jobs. An estimated 10 million workers have permanently lost their jobs during the COVID-19 pandemic and the uneven "K-shaped recovery" that has benefitted some while leaving others in depression-like conditions.



Build Back Better would create 5 million new jobs. Other proposals are even more ambitious: the THRIVE Agenda, for example, pushes for the creation of 15 million new jobs. That would be enough to provide jobs for all those who want them, including those now unemployed and underemployed. And it would create a full employment economy that, along with passage of the PRO (Protecting the Right to Organize) Act, would create greater bargaining power and therefore higher wages for workers as a whole.



UNION JOBS = STABILITY

"I think generally because our predecessors succeeded in winning really good pay by and large, and really good benefits, I think people appreciated working there. ...And that was, you know, you still hear a lot of regret, that wherever people went afterward, it can't match working there," a union leader said about a member who worked at a steel mill. The unique opportunity presented by the current moment is to create jobs for all varieties of workers. Every kind of worker can contribute to climate protection. Highly skilled building trades workers can build new solar and wind installations, electrical grids, building retrofits, and many other means of reducing GHGs. Manufacturing workers will be needed for everything from converting to electric vehicles to manufacturing solar equipment and materials for climate-safe buildings. There is a huge amount of work for which large numbers of workers can be quickly trained, such as insulating buildings, installing solar panels, and making forests and farms more effective carbon sinks.

The climate jobs plan should include jobs for every kind of worker by:

- Supporting jobs for specific union, occupations, and other groups. But it should do so in the context of a broader strategy that benefits all workers and creates a more just and equitable world of work.
- Guaranteeing jobs for both high-skilled construction and manufacturing workers and for those who have been marginalized within the workforce, including undocumented immigrants.
- Providing jobs not just for currently high-skilled workers, but for the entire range of workers and unions, through a program to provide decent jobs for

GOOD JOBS!

those who have been forced to accept sub-standard jobs or no jobs at all. Such a program will ensure jobs for all who want them. [5]

FAIR ACCESS TO JOBS AND GOOD JOBS

Simply creating more jobs will not eliminate the grossly unjust and wasteful distribution of access to jobs. At least 40% of workers are locked into low-wage jobs that are often contingent, insecure, and lack benefits. Many more want to work but have no jobs at all. Creating access to good jobs for those who have been excluded from them will require deliberate policies, including:

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- Job ladders within and between workplaces and companies to allow workers to move from lower- to higher-skill jobs.
- Strong affirmative action rules that guarantee discriminated-against groups access to jobs and training.
- Industrial location policy that directs job-creating investment to depressed areas and those that are being affected by shrinking of the fossil fuel economy.
- Massive expansion of apprentice programs to allow entry-level workers to become skilled all-round craftspeople.
- Designing the green jobs programs to provide training and advancement to better jobs.
- "Hire local" requirements for employers in communities with inadequate



employment.

PASS THE PRO ACT

LABOR RIGHTS AND STANDARDS

Simply creating more jobs will not necessarily elevate the quality or pay of available jobs. Making climate jobs be good jobs will take deliberate policies. That includes enforced job standards like minimum wages, prevailing wage policies, and health and safety protection. It also includes the empowerment of workers by guaranteeing their right to organize, bargain collectively, and engage in concerted action on the job. Public policy should create opportunities for unions to recruit large numbers of members in the "green" economy.

A green jobs program should:

- Require federal standards mandating project labor agreements.
- Establish a minimum wage that guarantees a living wage.
- Require that contractors pay the prevailing wage.
- Implement the elements of the PRO Act to ensure workers rights to organize.
- Prevent employers from interfering with workers' rights to organize.

URGENT AND EFFECTIVE CLIMATE PROTECTION

To meet the climate emergency, the federal and other governments should immediately invest in the known solutions that can rapidly reduce GHG emissions by as much as 90 percent. These are primarily renewable energy and energy efficiency. They should also evaluate ways to eliminate the remaining emissions and fund research on those demonstrated to be most beneficial when including climate, health, safety, and environmental impacts as well as cost.

There are many ways to reduce GHG pollution. Selecting those that will best combine the objectives of eliminating greenhouse gases, creating jobs, and correcting injustice will require careful evaluation.

Effective, job-productive climate protection will involve many different elements that are complementary or even synergistic. Some ways to reduce climate destroying GHGs replace the burning of fossil fuel with other sources of energy. These are primarily renewable sources like solar, wind, geothermal, and waterpower, though they may also include other sources. GHG pollution can also be reduced by using energy more efficiently to reduce the amount that is needed. The economic sectors that use the most energy are transportation, electricity, industry, buildings, and agriculture; methods to reduce their use range from insulating houses to powering vehicles by electricity rather than gasoline.



Technologies known by such names as carbon capture and storage (CCS) propose to remove GHG emissions from smokestacks or to suck them out of the atmosphere after they are emitted; despite massive investment, so far such technologies appear to require large amounts of energy themselves and to be costly and largely ineffective. [6] They can do little to solve the climate emergency.

Renewable energy, including solar, wind, and geothermal energy have become much cheaper in recent years, to the point that they are often cheaper than coal and often competitive with oil and natural gas, even disregarding the enormous cost of fossil fuels in health and climate effects. According to *Forbes*, "plummeting wind, solar, and storage prices have fallen so fast that the United States can reach 90% clean electricity by 2035–without raising customer costs at all from today's levels, and actually decreasing wholesale power costs 10%." [7]

Climate safety can be achieved with existing technology; it does not require waiting for some hoped-for technology of the future. Renewable energy and energy efficiency create far more jobs per dollar invested than either fossil fuel or high-tech investments like nuclear power or carbon capture and storage. (Because some renewable energy and energy efficiency jobs are currently low paid, it is important to enforce the labor rights and standards laid out in section 4 above.)

Selecting effective strategies requires science-based evaluation of their effectiveness in reducing GHG emissions, safety, cost-effectiveness, and job creation. A useful template for scientific evaluation of climate technology choices may be the proposal in Biden's original climate plan from August 2020 regarding "small modular nuclear reactors." [8] It makes the broad point that, to address the climate emergency, we must look at "all low- and zero-carbon technologies." The plan includes research on such reactors but does not endorse their deployment. Rather, it says the research will examine issues "ranging from cost to safety to waste disposal systems" that remain an "ongoing challenge with nuclear power today." An objective evaluation of these "challenges" is almost certain to conclude that cost, safety, and waste disposal make nuclear energy a far worse option than renewable energy and energy efficiency.

Such objective evaluation that includes all relevant factors is essential for decisions about how to fight climate change.

A program to combine climate protection with jobs and justice should:

- Start now with technologies that are available, cost-effective, and job effective. That is likely to mean renewable energy and energy efficiency, which can provide 90% of power generation by 2030. The faster emissions are reduced, the less need there will be for costly technologies with harmful side effects.
- Accept scientific criteria for cost, safety, waste disposal and jobs in evaluating all climate programs, including nuclear power, carbon capture and



sequestration, pollution permit programs, and taxes.

- Include all costs, including, safety, health, and other forms of pollution, and collateral costs and benefits, in all evaluations.
- Include all job benefits, for jobs of all kinds all along the skill and wage spectrum in evaluations.
- Research other technologies that may be useful for the more difficult to eliminate 10% of GHG emissions, such as some high-temperature manufacturing and air and sea transportation. Do not invest in implementation until the full benefits of renewable energy and energy efficiency have been realized.
- Carefully plan, sequence, and phase-in programs according to both social and climate needs.
- After GHG emissions have been halted, explore cost-effective techniques for removing existing GHGs from the atmosphere. While mechanical means for achieving this, such as carbon capture and storage, have been proposed, such means are unlikely to be cost-effective relative to natural carbon sinks like properly managed trees and soils.

NO WORKER LEFT BEHIND



Photo:

The All-Nite Images,

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While Build Back Better will produce far more jobs than it eliminates, it is likely also to threaten the jobs of some workers in fossil fuel producing and using industries. It is unjust that any worker or community should suffer through no fault of their own because of a policy that is necessary to protect everyone–and such unintended consequences of climate policy are likely to provoke a backlash against climate protection. [9]

Fortunately, there are ways to provide alternative jobs, livelihoods, and community resources when fossil-fuel burning is reduced. [10] The means to protect workers and communities from the unintended side effects of such change are often referred to as a "just transition." [11] Such programs should be built into all Build Back Better grams.

- Community and worker protection (CWP) funds should collect money in advance of threatened closings to replace taxes and fees paid by fossil-fuel facilities and to invest in good jobs in affected communities.
- CWP funds, in cooperation with other private and public sources, should make targeted investments in fossil fuel energy communities designed to create jobs before or at the pace that fossil fuel jobs are declining.
- 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.



- Workers who seek a new career path should receive income replacement with either a four-year college education or vocational job training with living expenses provided, as well as assistance with dependent care, mortgage and other debt relief, transportation costs, and other areas of economic pressure for workers in transition. Such education and training should start preemptively long before workers are laid off.
- Communities adversely affected by climate protection policies should be targeted for funding for economic development investments through regional commissions and authorities, for example projects that enhance workforce competitiveness, remediate damage done by fossil fuel extraction, build and repair infrastructure, and increase community capacity like broadband projects, clean drinking water, organic farming, and energy efficiency.

As Congress and the public work out the details of Build Back Better legislation over the coming months, there are many details that will need to be considered, many of which will affect particular interests and constituencies. To establish broad support these will need to be taken into account in shaping the final legislation. But it is also essential that the ultimate plan successfully integrates the ultimate goals of climate, jobs, and justice. These six strategies provide a framework for developing, evaluating, and selecting policies to make Build Back Better achieve those goals.

[]] "Fact Sheet: The American Jobs Plan,"<u>https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/</u>

[2] Josh Lederman, "Biden's over-under for Paris climate goal: 50 percent," NBC News, March 19, 2021. <u>https://www.nbcnews.com/politics/joe-biden/bidens-paris-climate-goal-50-percent-rcna454</u>

[3] SEI, IISD, ODI, E3G, and UNEP. (2020). "The Production Gap Report: 2020 Special Report." <u>http://productiongap.org/2020report</u>

[4] Silvio Marcacci, "Plunging Renewable Energy Prices Mean U.S. Can Hit 90% Clean Electricity By 2035 - At No Extra Cost," *Forbes*, June 9, 2020.

https://www.forbes.com/sites/energyinnovation/2020/06/09/plunging-renewable-energy-prices-meanus-can-hit-90-clean-electricity-by-2035at-no-extra-cost/?sh=a3acab82f9b1

[5] "Climate Jobs for All: Building Block for the Green New Deal," Labor Network for Sustainability, December, 2018. <u>https://www.labor4sustainability.org/wp-content/uploads/2018/11/LNSpdf_dec2018.pdf</u>

[6] See for example, "Position: Carbon Capture, Storage and Utilization," Climate Action Network, January 2021. <u>https://climatenetwork.org/wp-</u>content/uploads/2021/01/can_position_carbon_capture_storage_and_utilisation_january_2021.pdf

[7] Silvio Marcacci, "Plunging Renewable Energy Prices Mean U.S. Can Hit 90% Clean Electricity By 2035 – At No Extra Cost," *Forbes*, June 9, 2020. https://www.forbes.com/sites/energyinnovation/2020/06/09/plunging-renewable-energy-prices-mean-

us-can-hit-90-clean-electricity-by-2035at-no-extra-cost/?sh=a3acab82f9b1

[8] "The Biden Plan for a Clean Energy Revolution and Environmental Justice,"



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https://joebiden.com/climate-plan/

[9] For the devastating human effects of such job loss on individuals and communities, see J. Mijin Cha, Vivian Price, Dimitris Stevis and Todd Vachon, "Workers and Communities in Transition: A Report of the Just Transition Listening Project," Labor Network for Sustainability, March 17, 2021. https://www.labor4sustainability.org/jtlp-2021/jtlp-report/

[10] For a review of recent legislative and other actionable proposals for just transition at local, state, and national levels see Jeremy Brecher, "No Worker Left Behind: A briefing paper for trade unionists," Labor Network for Sustainability. <u>https://www.labor4sustainability.org/wp-content/uploads/2019/12/pdf_NoWorkerLeftBehind.pdf</u>

[1]] For an explanation and history of the term "just transition," see Jeremy Brecher, "Just Transition: Just What Is It?" <u>https://www.labor4sustainability.org/uncategorized/just-transition-just-what-is-it/</u> For a summary of just transition strategies, see Jeremy Brecher, "How to Protect Workers While Protecting the Climate," Labor Network for Sustainability. (in press).

