



**On the  
Contrary**

By Sean Sweeney

# EARTH TO LABOR

## *Economic Growth Is No Salvation*

THE NOTION THAT ECONOMIC GROWTH IS, ALMOST BY DEFINITION, A GOOD THING has been subjected to serious and well-informed criticism in recent years. Diverse organizationally, geographically, and ideologically, those challenging growth are united by one realization: the world's ecosystems are in a state of extreme distress and the planet will be unlivable in just a few decades. Climate change, ocean

acidification, species extinction, desertification, ozone depletion, and alarming levels of water contamination and scarcity are part of a long list of crises that have their origins in one thing—economic activity that increasingly raids the world's stores of “natural capital” and pollutes and degrades everything in its path. The message emerging from the critique of growth is loud and clear—human civilization must quickly put a check on economic expansion and allow the ecosystems to repair themselves before it is too late.

Indisputably true, but what can unions do? Workers are, of course, part of the very economy that seems to be causing the environmental problems, both as producers and consumers. How can unions, even in theory, be against economic growth? And unions and workers do not feature much in the talk about an ecological post-growth society (the few eco-socialist writers being the

exception). The overuse of insipid terms like “green jobs” cannot hide the fact that the ecological crisis is not on the agenda of the U.S. labor movement. And those who raise ecological issues are likely to be reminded that labor is too embroiled in a struggle for its own survival to have much time and energy to commit to planetary survival. However, labor has much to gain by addressing, rather than avoiding, the ecological crisis and its causes—many of the solutions would help, rather than harm, unions and workers.

### **GREEN CAPITALISM AND ECOLOGICAL MODERNIZATION**

**T**HUS FAR, UNIONS THAT HAVE BEEN engaged in ecological issues (mostly outside the U.S.) have tried to repackage growth as part of a green economic agenda, looking at growth the way an internist would read a patient's cholesterol

levels. Just as there is good and bad cholesterol, there is good growth (the “real” economy, green investments, rebuilding infrastructure) and bad growth (financial speculation, asset bubbles, etc.).

## *The ecological crisis is not on the agenda of the U.S. labor movement.*

But what is green growth, exactly? The world’s leading green growth theorist and spokesperson is probably former World Bank chief economist, Sir Nicholas Stern. In 2006, Stern authored a major study on the economics of climate change, known as the Stern Review, which rejected the idea that growth must inevitably lead to more emissions and ecological stress. Human civilization does not have to learn to get by with less, he says, nor does capitalism itself need to be fundamentally restructured. Low carbon production and environmentally-friendly growth is technically possible. All we need to do now is make it a political reality. This perspective, known as “ecological modernization,” rests on the premise that technological and other efficiencies can “dematerialize” economic activity. We can get more output from fewer material inputs, thus decoupling economic growth from environmental damage. Perhaps the main policy plank in the platform of ecological modernization is the pricing of externalities like carbon dioxide and other pollutants. Once priced, the markets will work their magic and the economy can keep growing indefinitely. Government is important, but only as an enabler of green economic activity and not in any direct command-in-control sense.

Unions, globally, have operated on the premise that the real-world historical options are essentially twofold. Either humanity will transition to some form of green capitalism, or we will face a “suicide capitalism” scenario where fossil-fuel corporations and major industrial, agricultural, transportation, and retail interests are successful in extending “business as usual”

past the point of no return. The former allows space for unions; the latter does not. Unions have therefore generally accepted Stern’s green growth perspective and are, whether truly conscious of it or not, ecological modernizers. However, unions question whether private markets can drive green growth, and they have sought to move the debate toward a global Green New Deal (GND) through which governments—supported by labor—play a leading role, particularly in setting emissions targets and timetables.

In a similar vein, many U.S. unions support Obama-initiated green investments and a green industrial policy as a means to restore both U.S. competitiveness and its manufacturing base. This was the message of the Apollo Alliance and it is now the main message of its successor organization, the Blue-Green Alliance. It is also the message of the mainstream environmental “Big Green” organizations. The green growth perspective therefore dominates the trade union discourse, both domestically and internationally.

### **GREEN GONE WRONG?**

**T**ODAY, HOWEVER, ECOLOGICAL modernization faces a double crisis—a striking loss of political momentum coupled with an erosion of its main theoretical underpinnings. In fact, the two are deeply connected. Green business is not driving capitalism’s main agenda. In the U.S., the fanfare around the Climate Action Partnership (CAP) and other green corporate initiatives is now just a dim echo, stretching back to the more hopeful early days of the Obama presidency. The prospects for an effective economy-wide price on carbon through a cap-and-trade system have been dashed in the U.S. and in most of the developed world. The Koch brothers, rather than Google and Nike, are shaping both politics and policy. Meanwhile, the green economy has stalled. This is reflected in a recent Brookings Institution study which noted that “the clean economy grew more slowly in [the] aggregate than the national economy between 2003 and 2010.”

In the U.S., environmentalists blame the woes of green business on Big Oil and Big Coal's shoot-to-kill approach to carbon pricing, EPA regulations, and renewable electricity standards. Oil companies have made \$1 trillion in profits in the past ten years, so spending \$30 million on a lobbying campaign to defeat climate protection legislation is a smart business move. But the political power of fossil-fuel corporations is not simply determined by the number of lobbyists on the payroll. It derives from the availability of the fuels, the returns on investments, and the stability of demand. It also speaks to other large corporations' weak and fleeting commitment to their stated environmental and climate protection goals. The Fortune 500 companies that formed the CAP could have easily matched the fossil-fuel lobby's spending several times over if there was a sound business incentive to do so. The problem is that no such incentive exists.

The entire theoretical framework of ecological modernization and green capitalism was developed around a presumed certainty—that natural resource scarcity would make more efficient use of those resources the key to competitiveness and, therefore, success. But that certainty has since been downgraded to a remote possibility as new sources of fossil-based power emerge. In North America, this entails the further exploitation of Canadian tar sands oil, the harvesting of apparently large stores of natural gas embedded in shale formations by a process known as hydraulic fracturing or “fracking,” and the expansion of surface coal mining in states like Wyoming and Montana where the Wyodak coal bed—the U.S.'s leading source of coal—covers ten thousand square miles in the Powder River Basin. These new sources of fossil-based energy are in the process of changing the global political economy of energy and helping to strangle the global green growth agenda.

But even if fossil fuels disappeared tomorrow, ecological modernization would still have to deal with what has been called “the rebound effect,” by which savings from increased efficiency get ploughed back into the economy in the form of greater investments, more growth, more

consumption, and more environmental stress. This effect was observed during the time of the steam engine, when Victorian-era economists realized that a more efficient engine made the use of coal more cost effective, which led to an increase in the demand for coal. In short, the idea that capitalist accumulation—driven by profit, consumption, and growth—can become truly green has become as frail and unstable as Arctic ice in the summertime.

## ECOLOGICAL UNIONISM

**T**HREE YEARS AGO, A GLOBAL CLIMATE agreement and an eco-Keynesian future seemed likely—today this is a fantasy. The resurgence of neoliberal policies since 2009 has politically uprooted green capitalism, and the way back will be difficult. Meanwhile, union resistance to the neoliberal attacks on workers and social protections appears to be growing, and other social movements are also mobilizing. Labor is now in a position to openly break with ecological modernization and craft its own Green New Deal as part of a new policy agenda. This agenda must be more ambitious than the standard “demand-side” Keynesian policy response to economic recession with a green tint. Unions can develop a GND that is green enough to slam the breaks on the present levels of ecological destruction, while providing a pathway toward more sustainable living standards and a deep restructuring of economic life—a truly transformational multi-decade project.

How can it be done? Clearly, achieving economic security and environmental sustainability will require a series of bold policy interventions. Unions can be confident that the ecological case for the public ownership and democratic control of carbon- and pollution-intensive industries and services—beginning with power generation and energy-delivery systems—is cast iron. Given the impact of privatization on workers and communities, the social case is similarly strong. The goal should be to expand democratic control over major investment and production decisions, and over

financial institutions and transactions, while asserting a new set of social and environmental conditions on private capital for the good of workers and the environment. This could put

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an end to “ruthless growth” and drastically slow the rate of ecological damage, while establishing a platform for an even deeper restructuring of economic life over the longer term. But without a qualitative increase in economic democracy, a transition to a truly sustainable economy is, at this point, inconceivable.

How would such a GND shape trade union politics and workplace demands? Work sharing, shorter hours, and more flexible work schedules can help achieve environmental goals and bring about an improved quality of life for working families. Unions can now use ecological arguments to push back against conditions of modern slavery (mind-breaking as well as back-breaking work).

Unions have done their best to defend the “social wage” as well as money wages. A new program to expand the social wage would involve using ecological arguments to promote policies to improve both the quantity and the quality of leisure. This would include investing in public mass transit, parks, sports facilities, and cultural institutions; making changes in land use policies to build communities and not megastores; and expanding opportunities for biking and walking.

Fighting to shift taxes on income to taxes on carbon can also help redistribute wealth and reduce emissions.

A tricky issue for unions is the question of consumption. For labor-based economists, the fact that wages have not kept up with productivity increases is a key factor in creating and perpetuating the recession and high levels of unemployment, and unions link calls to restore labor’s share of the wealth to the need for *more* consumption to restore economic growth. But from an ecological perspective, the picture is more complicated. Real wages may be stagnant, and the real cost of housing, education, and health care has skyrocketed in the past thirty years. However, consumer and household goods have become much less expensive. Cheap wear-it-once clothing, electronics, and other goods create a pleasant illusion of wealth. Food costs half as much—in real dollars—as it did in 1966, and up to a third of all food purchased in the U.S. gets thrown away. The ecological impact of the skyrocketing consumption of these goods needs to be acknowledged. Unions can play their part in promoting lifestyles that eschew unsustainable and unnecessary spending. Living well and securely is not measured by trips to the mall, “bargain buying,” and rising credit-card debt.

As a guiding principle, ecological unionism can begin by acknowledging that workers are connected to and dependent upon the ecosystems that are being destroyed at an alarming rate. The same economic system that abuses and commodifies the environment also abuses people, animals, and all organic life. Today’s labor movement could benefit enormously from a fresh narrative, one that is deeply ecological and capable of connecting workers’ needs to a vision for a truly sustainable society. An ecological narrative conveys the urgent need for radical change and new relationships between production and consumption—a realignment of society’s relationship to the natural world. Let there be growth—in human development, social solidarity, and building an economy based on sufficiency and cooperation.