

From green jobs to Green New Deal: What are the questions?

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Abstract

Proposals for development of ‘green jobs’ emerged when environmentalists, labour organisations and political economists recognised the need for economic restructuring to reduce climate change. Current proposals for a Green New Deal go further by putting additional emphasis on fiscal stimulus, ‘just transition’, reducing socio-economic inequalities, and political empowerment. This article analyses the development of this more comprehensive policy approach, its rationale, the constraints it would face and its prospects in the Australian context.

JEL Codes: B50, H12, L78, P18, Q58

Keywords

Employment, empowerment, environment, equity, sustainability

Introduction

Advocacy and analysis of policies to develop ‘green jobs’ (sometimes called ‘green-collar jobs’) became common over a decade ago. Now, concerns with jobs and environment are more typically couched in terms of a broader ‘Green New Deal’ (GND). The shift is significant and warrants careful consideration. Why is the more comprehensive programme necessary? What type of support would be required for it to be implemented? These questions relate to policy advocacy, not existing policy. As with any such advocacy, strategic judgements must be made about what may be achievable and by what means.

Green jobs and GND advocacy have the characteristics of ‘climate pragmatism’ rather than ‘climate radicalism’ (Rosewarne et al., 2014). Both are concerned with taking steps to reduce the economic drivers of climate change without increasing unemployment, not

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producing blueprints for an ecologically sustainable society. This pragmatism tends to disappoint climate change activists, such as those aspiring to a ‘steady-state’ economy (Washington, 2020: 344–346). On the other hand, advocating a GND goes well beyond most mainstream economic prescriptions because, rather than seeking environmental ‘fine-tuning’ through market mechanisms, it opens the possibility of a more transformative approach to employment, environment, equity and empowerment.

This article considers green jobs and the GND from a political economic perspective, looking at broad principles rather than specific policy details. Its sub-title borrows from a classic article by Joan Robinson (1977) that said economic analysis should focus on the current real-world problems of each era. Indeed, facing a deeply troubling array of economic, social, and environmental challenges, we must now carefully assess what could be done to create a more secure, equitable and sustainable future. Would a GND be an appropriate and timely response? What forms may it take? What can be learnt from previous ‘new deal’ initiatives? What are the impediments to progress? What are the politics of trying to make a GND into a driver of change in the current era?

Seeking some provisional answers to these questions, this article tries to sort out the political economic principles and possibilities. The first section seeks to clarify the concept and significance of ‘green jobs’. Then come sections on the origins and nature of the GND and how it could contribute more broadly to employment, environment, equity and empowerment. Later parts of the article consider constraints on any such programme of radical reform, concluding with reflections on the prospects in Australia.

Green jobs

In popular discourse, ‘jobs versus the environment’ is a recurrent theme, implying that attempts to alleviate climate change and other environmental problems adversely affect employment prospects. Predictably, this framing makes many people wary of proposals for stronger environmental policies: indeed, one may infer that this is what motivates the relentless dissemination of ‘jobs versus environment’ ideology. However, an alternative ‘jobs *and* environment’ approach developed strong roots in Australia during the Green Bans of the 1970s, leading to Jack Munday’s formation of ‘Environmentalists for Full Employment’ (Burgmann and Burgmann, 1998; Munday, 1981). Although initially slow to influence the labour movement, the latter type of thinking had increasing impact during the next two decades. In 1994, the Australian Council of Trade Unions (ACTU) cooperated with the Australian Conservation Foundation (ACF) to produce a Green Jobs in Industry research report, and the two bodies returned to the topic with the joint publication of *Green Gold Rush* (ACF/ACTU, 2008). Political economists began to focus on what could be done – through industry policies and skill development – to create additional ‘green’ or ‘green-collar’ jobs (Pearce and Stilwell, 2008: 120).

However, the concept of green jobs, although influential, has always been contestable. The general inference is that work is ‘green’ if it does not add to, and preferably reduces, ecological stress. This implies less depletion of non-renewable resources and/or less waste products emitted into the air, water or on land. Any change in work towards those characteristics may therefore be regarded as ‘greening’. Seen in this light, it is the *process* of change that is more central than the categorisation of jobs as either green or

not green. The latter is hard, if not impossible, because neither occupation nor industry are inadequate identifiers. Whether plumbers, for example, do ‘green jobs’ depends on the specific tasks they undertake, whether installing solar-heating panels or gas-fired heating systems, for example. Some social scientists, grappling with these issues of definition, have developed typologies of green jobs by distinguishing deep-, mid- and light-green categories (Crowley, 1999; Goods, 2011). Others have posited that, to qualify as green, the jobs also need to meet criteria such as providing secure employment, good wages and career prospects (Masterman-Smith, 2010; Pollin and Wicks-Lim, 2008). Although this adds to the difficulties of definition, such concerns have a strong bearing on workers’ responses to green jobs advocacy.

The shift from ‘green jobs’ to advocacy of a more broadly based GND may be interpreted partly as a response to these concerns, reflecting the importance of greens jobs being both ecologically and economically sustainable. It also reflects a push for ‘just transition’ – rather than just a transition – to ensure that specific groups of workers do not bear disproportionate costs of change. More than that though, it has been driven by the changed macroeconomic conditions, particularly the problems of unemployment and instability that the Global Financial Crisis (GFC) and the Global Coronavirus Crisis (GCC) have accentuated. From an environmental perspective, the former provided some temporary breathing space because the sudden economic downturn caused carbon emissions to dip (Spies-Butcher and Stilwell, 2009). In Australia, the Rudd government’s home-insulation programme also gave a glimpse of how green jobs could contribute to economic recovery. However, the main effect of the GFC was to shift the dominant policy focus towards stabilising the financial institutions and monetary reform. Short-term economic considerations dominated over concerns about longer-term ecological sustainability. Some similar tendencies have been evident during the current GCC: a dip in emissions, some temporary ‘sandbagging’ of the economy and a dominant government policy emphasis on trying to ‘return to normal’. Meanwhile, warnings about the dire consequences of climate change have become increasingly strong, precipitating more vigorous policy commitments in many countries, although conspicuously not in Australia during the last decade.

It is in this context that we can understand the advent of a GND as a more comprehensive approach to seeking harmonisation of economic and environmental goals.

GND: Origins and characteristics

The New Economics Foundation (NEF, 2009) and its chief economist Ann Pettifor began to advocate a GND in the UK at the time of the GFC, developing from earlier work on ‘alternative futures’ (Henderson, 1978) and a ‘new economic agenda’ (Inglis and Kramer, 1985). A report by the Worldwatch Institute (2009) generated further international momentum for the idea. More recently, a GND was championed in the USA by Congresswoman Alexandria Ocasio-Cortez and embraced by Senators Bernie Sanders and Elizabeth Warren during their ultimately unsuccessful campaigns to be the Democratic Party’s Presidential candidate. Canadian author and public speaker Naomi Klein (2019) continues to be a vigorous international proponent, as does Jane Fonda (2020) whose Hollywood fame draws attention to her climate change activism. The case recently made for a GND by Noam Chomsky and Robert Pollin (2020) adds a powerful

political economic perspective. Institutions are also beginning to respond. In December 2019, the European Union (EU) outlined a Green Deal that aims to make the EU as a whole climate neutral by 2050. In the same month, the Australian Greens committed to a GND (Di Natale, 2019).

The GCC has given more recent impetus to the push for a GND. Unlike the GFC, there is no substantial debate about its immediate cause – the onset of the COVID-19 pandemic and the economic lockdowns that followed. So, the focus this time is almost exclusively on the appropriate policy responses for recovery. For many people, the post-pandemic ‘return to normal’ that conservative politicians promise seems to have a hollow – even pitiful – sound. This is because the pre-pandemic ‘normal’ was not impressive anyway, even by mainstream economic standards. Pervasive problems that are widely perceived in Australia have included growing inequality and stagnant wages (Quiggin, 2020; Rosewarne, 2020), alongside the impact of climate change on increasingly severe weather events, accentuating bushfires and coastal erosion. Not surprisingly therefore, the period of the pandemic has been productive of proposals for deeper economic, social and environmental reforms – exploring possibilities for ‘surging forward’ rather than ‘snapping back’ (e.g. Bennett, 2020; Chalmers, 2020; Denniss, 2020; Heenan and Sturman, 2020; Johnson, 2020; Macklin, 2020; Pennington and Stanford, 2020; Rudd, 2020). Most of these proposals point to scenarios in which improved health, ecological and economic outcomes result from significant structural changes, driven by comprehensive reforms of public policy.

Could a GND become the leading contender for meeting these goals? Exploring this question requires clarity about its nature and purpose. While there is no single, universally accepted model – nor need there be – the introduction to the new book by Chomsky and Pollin (2020: ix) is helpful in identifying the four central ambitions, paraphrased as follows:

- Reducing greenhouse gas emissions to at least achieve the targets set in 2018 by the Intergovernmental Panel on Climate Change – a 45% reduction in global emissions by 2030 and net zero emissions by 2050;
- Making dramatic improvement in energy efficiency and expanding the supply of solar, wind and other renewable energy sources;
- Creating a green transition that does not expose workers in the fossil fuel industry and other vulnerable groups to joblessness and the anxieties of economic insecurity;
- Unifying climate stabilisation with the goals of expanding job opportunities and raising living standards for working people and the poor throughout the world.

Couched in these terms, the GND is an essentially global project. To attain that goal, however, progress must come through policies enacted within individual state jurisdictions, taking account of local conditions and possibilities. In the Australian case, we therefore need to explore how a GND could deal concurrently with the problems of a faltering economy, adverse environment impacts, growing social inequality and the vulnerability of marginalised groups. These interconnected issues can be explored sequentially according to the ‘four Es’ of employment, environment, equity and empowerment.

Employment

Employment has always been central to the notion of a ‘new deal’. This reflects the term’s origin in the social struggles in the United States (USA) during the Great Depression of the 1930s when the official unemployment rate soared over 20%, as it also did in Australia. Responding to the swelling grass-roots social discontents and pressures for reform, President FD Roosevelt introduced an array of job-creation schemes known collectively as the New Deal. Public works projects were the principal focus for getting the millions of unemployed people back to work. Although not a consciously ‘Keynesian’ economic policy, it implemented the principal practical lesson from the theories being developed at the same time by JM Keynes – that the scourge of unemployment could be tackled effectively by government intervention. A simplified form of Keynesian economics subsequently became part of the new policy orthodoxy during the long boom that followed the Second World War – in tandem with, but never replacing, the still-dominant microeconomic theory of market efficiency. Notwithstanding the subsequent neoliberal interregnum, a similar view resounded strongly in 2020 as the responses to the Coronavirus pandemic jolted the economy into recession. Even right-wing politicians normally espousing ‘free market’ rhetoric and promising budget surpluses had to recognise the need for massive state-initiated fiscal deficits to stimulate economic activity and prevent unemployment reaching levels that could threaten the reproduction of social order.

The pertinent question is whether the stimulatory policy approach should be just a short-term response to economic crisis or become more deeply embedded. The Australian government clearly took the former view at an early stage of the GCC in 2020, offering a mix of temporary supports, business incentives and regressive tax changes. The financial supports included the JobKeeper programme that provided payments to businesses to keep previously employed people on their payrolls, but only for the initial year of the crisis. The new JobSeeker payment for people out of work was set initially at double the previous Newstart payment, but it was already being pared back before the end of 2020. Among the various business incentives announced in the 2020–2021 budget, the most substantial was the investment allowance for spending on capital equipment. Although accompanied by government rhetoric about how it would encourage firms to create jobs, significantly, the subsidy was not made conditional on hiring additional workers. The rate of job creation could even decline over time if the investment allowance encourages firms to use less labour intensive technologies, as capital subsidies tend to do.

The cuts to income tax rates announced in the 2020–2021 federal budget are similarly problematic because they gave most benefit to people on high incomes and are unlikely to substantially boost consumer spending. At a time of such pervasive uncertainty, the propensity to save is predictably strong, as shown by the reported AUD 100 billion increase in bank deposits in Australia during the first 8 months after the pandemic began (Australian Prudential Regulation Authority (APRA) cited in Wright, 2020). The tax cuts, while certain to increase post-tax inequality, were never likely to generate substantial macroeconomic stimulus nor produce a jobs surge. The more certain effect is further deepening of Federal budget deficits, already ratcheted up sharply by the government spending that the GCC triggered. Accordingly, the long-standing ambition of the major political parties to get the budget into surplus has had to be indefinitely postponed, if not

abandoned. That at least is overdue. However, the current policy settings do nothing to create structural economic changes that would be necessary for more employment and income growth in the longer term.

Would a GND provide a more effective means of creating sustainable employment opportunities? If so, that would give it strong appeal not only to the labour movement but to all who are worried about the consequences of continuing economic stagnation, unemployment and the other social consequences of the temporary fiscal stimulus being wound back. So, how might that job-creation occur? Expanding public employment is the most direct route, especially focused on sectors like public health, education, child-care and elderly care that have been stress points for workers during the pandemic. While some might regard jobs like these as less explicitly 'green' than, say, jobs in solar energy, their emphasis on nurturing and care is thoroughly consistent with refocusing the economy onto socially useful work and long-term sustainability rather than short-term profitability (as argued by Heenan and Sturman, 2020).

The version of the GND being advanced by the Australian Greens also includes embrace of the job-guarantee (JG) model, a long-standing post-Keynesian proposal (as advocated, for example, by Mitchell, 2000). This policy evidently appeals to those who think that government should be employer-of-last-resort in a capitalist economy that is otherwise incapable of ensuring full employment. Other reform proponents have been pushing for the introduction of Basic Income (BI), sometimes in conjunction with JG, as a means of reducing poverty and expanding social choice while partially decoupling receipt of income from people's availability for formal paid work (FitzRoy and Gin, 2018; Spies-Butcher et al., 2020; Stilwell, 2019: 200–205). However, the GND does not depend crucially on either having a JG or BI: its minimum requirement is a 'green jobs' element in the job-creation process. Thus, the central task remains to shift economic activity into forms of production, consumption and transportation that use less environmentally damaging energy sources and technologies. If that can be achieved, the effects of a GND would contrast sharply with a purely crisis-driven re-embrace of Keynesian stimulus policies.

Environment

The capacity of a GND to help alleviate climate change is its most fundamentally distinctive feature from an environmental perspective. Yet here too are questions about how the policy would operate, because the extent of climate change mitigation depends on the details of the policy programme and the effectiveness of its implementation. Particularly crucial is the choice of policy instruments to bolster investment in renewable energy and other ecologically sustainable forms of production. The broad array of possibilities for this purpose ranges from a price mechanism (whether carbon taxes or emissions trading) to regulation, private investment subsidies and direct public investment. Mainstream economists have a well-known preference for the first of these options, particularly emissions trading (as shown in the recent report prepared for the Academy of Social Sciences in Australia by Richardson et al. (2020)). However, that inclination tends to ignore or downplay the existential risks arising from exposing the environment to the inequalities and instability of market processes (Stilwell, 2011). GND advocates tend to prefer processes of planning rather than 'market fine-tuning', partly because of the more direct link

to employment outcomes. Planning a transition to sustainable energy and transport systems, for example, puts the focus directly on what type of jobs the policies aim to create.

The task is then to bring the plan to fruition by using appropriate policy interventions. Selective industry policy has to be the principal vehicle for driving the ‘green jobs’ agenda throughout the economy, combining public investment, supplemented where necessary by public ownership, with subsidies to businesses that are conditional on the creation of new green jobs. Industry sectors in which these interventions can fruitfully occur range from renewables-based energy production to more energy-efficient transport, improved waste-management and recycling, water infrastructure, sustainable agricultural practices, green building design and retrofitting, and urban design to develop more ecologically sustainable forms of habitat (Alexander and Gleeson, 2019; Pearce and Stilwell, 2008). Developing green jobs in fields like these can contribute significantly to the amelioration of climate change stress and to expanding employment opportunities, taking account of the complex relationships between material inputs and outputs in the various types of work.

Regional policy can also play a key role, complementing industry policy and creating additional sensitivity to local needs and capabilities. While applicable in principle to all areas, regional policy is a particularly important concern in places like the Hunter Valley in NSW, Victoria’s La Trobe Valley and other mining areas in central and northern Queensland. In regions like these, governments must make tough decisions about closure of coal mines, coal-fired power stations and other polluting industries. It means displacing capital and labour from environmentally damaging forms of production and transportation and developing new industries with more ecologically sustainable characteristics. Similarly, because the pandemic has dramatically exposed the vulnerability of sectors such as travel and tourism, there is also need for policies to deal with the difficulties facing regions dependent on international trade and ongoing geographical mobility. ‘Snapping back’, based on the assumption of resuming business-as-usual, looks a remote prospect for sectors like these. Indeed, from an ecological perspective, this is no bad thing, given the enormous volume of resources used and emissions generated by international travel and long-distance freight transportation. Overall, balance must be struck between the ‘gains from trade’ through regional economic specialisation and the greater stability and reduced ecological footprints that would result from focusing more on production for local consumption. The concern with climate change tips the balance significantly towards the latter.

A combination of energy, industry, regional and trade policies is thus necessary for managing a transition to more ecologically sustainable economic arrangements. Working out how these policies can best drive the changes needs much detailed consideration, of course, once the general political economic principles are established. Making it into a ‘just transition’ is a parallel concern.

Equity

Much is made in social and political discourse of appeals to equity, fairness or social justice. At a minimum, ‘just transition’ requires that structural economic changes do not impact disproportionately on the most vulnerable sections of society. This requires

policies to help workers shift from unsustainable ‘old economy’ jobs like coal mining to newly created green jobs. Thus, a GND needs to channel substantial resources into arrangements for skill-development, education, training and re-training. The skills needed for green jobs must be systematically nurtured through the educational institutions, a process made harder in the Australian case by previous government policies that have reduced the capacities of the Technical and Further Education system. Fortunately, there are important lessons to be learnt from European countries that have developed effective processes for workforce training and retraining to facilitate the sort of industrial transitions that a GND seeks to drive (Galgoczi, 2019).

Equity also requires that financial assistance be given to low- and middle-income households to cope with their costs of energy-retrofitting and shifting to more sustainable forms of consumption. This issue has previously been an ‘Achilles heel’ for policies like carbon pricing that tend to make services like electricity, gas and transport more expensive for households. The design of appropriate compensation is a substantial fiscal challenge because, ideally, the compensation should not blunt the incentive to become more frugal in energy-use – and to reduce consumption more generally. During what is widely regarded as Australia’s most deeply problematic period of climate change policy, the Australian Labour Party (ALP) government led by Julia Gillard introduced one such compensation policy – approximately doubling the threshold income at which income tax becomes payable, thereby simplifying the tax system and reducing the likelihood of higher electricity bills causing hardship for poor households. Ironically, although the carbon tax was axed by the subsequent Coalition government, the compensation arrangement stayed (Combet, 2014: 259). Indeed, this was an instance where the equity effect outlasted the incentive effect.

How a GND relates the two sides of the budgetary process – tax and spending – has a major bearing on equity and the programme’s overall social acceptability. This reinforces the case for making comprehensive tax and welfare reform a central component of a GND. Income and wealth inequalities have increased during the last few decades in Australia, as they have done in most countries worldwide (Piketty, 2014; Stilwell, 2019: 54–70), creating deeply troubling consequences. Numerous research studies have shown the negative impact of inequality on educational standards, crime and incarceration, mental and physical health, among many other social variables (Stilwell, 2019: 139–158; Wilkinson and Pickett, 2009, 2018). What is perhaps most interesting in the current context is the evidence of significant links between inequality and the incidence of environmental stresses – including higher *per capita* CO₂ emissions, levels of water consumption and waste production. The cross-country correlations between these variables, though far from perfect, generally indicate that the more equitable societies have less environmentally damaging characteristics (Dorling, 2017: 139). Thus, policies to create a more equitable society can also help to reduce environmental stress.

Empowerment

A fourth dimension of a GND links considerations of equity with empowerment. While the latter is a tricky concept, it signals important aspects of social and political engagement, such as the effects of ‘top down’ and ‘bottom-up’ decision-making processes. The

legitimacy and support for any public policy is enhanced if people feel they have a direct stake in its development and implementation. Looked at from this perspective, the 'green' element in a GND cannot be only a matter of creating 'green jobs' or 'just transition': it is also necessarily a matter of energising grass-roots politics.

The need for governments – federal, state and local – to play a leading role in implementing GND policies is clear. Indeed, a 'top-down' process is implicit in the Keynesian job-creation and redistributive tax reform elements within a GND. However, a 'bottom-up' process originating from local initiatives can be an important source of pressure on governments to stay on course – or to modify an unpopular course. Development and implementation of a GND may therefore benefit significantly from participatory processes where people feel directly engaged. Regional forums are well suited for this purpose, presenting opportunities for developing proposals and devising actions that reflect local interests, circumstances and concerns. Workplaces can serve similar purposes, especially if trade unions grasp the opportunity for local engagement. There are some pertinent Australian precedents, where people from different walks of life have come together in cooperative dialogue and struggles. In addition to the Green Bans movement, previously mentioned, the Lock the Gate Alliance brought farmers and environmentalists together to act on their shared concerns about proposed extensions of coal-seam gas mining (Hutton, 2012).

Empowerment of First Nations peoples fits into this GND agenda as a further possibility and challenge. Announcing his party's initial commitment to a GND, the parliamentary leader of the Australian Greens put particular stress on this, talking of the need to 'recognise historical dispossessions and provide justice for First Nations peoples – which means treaty, voice and truth-telling – and a leading role for them in driving the transition' (Di Natale, 2019). This implies a 'politics of recognition', alongside an economics of redistribution (Fraser and Honneth, 2003). Indeed, in developing an Australian GND, there is much to be learnt from Indigenous communities about wellbeing and sustainability, the fundamental importance of culture, relationships to each other and to the earth. How to reclaim, manage and extend the commons is a particularly big concern, as it is in modern political economic discourse more generally (Obeng-Odoom, 2020). Indigenous knowledge about stewardship of common natural heritage, particularly land and natural resources, offers a potent alternative to the dominant capitalist emphasis on private property rights. Similarly, cooperative enterprises, with which many Indigenous communities have considerable experience, also constitute an attractive alternative to hierarchical capitalist structures (Johnson, 2020). First Nations peoples' active participation in such aspects on GND development could be both empowering and conducive to better overall outcomes.

Constraints

Alongside the positive possibilities that a GND raises – for employment, environment, equity and empowerment – careful attention has also to be given to the likely impediments. Opposition to a GND will surely come from climate-change deniers and right-wing political organisations, encouraged by those sections of the media that routinely back reactionary positions. However, the interests of capital, as a class, are likely to be

less unified. Indeed, because the short-term effect of a GND would be to increase investment in the restructuring of industries, energy supply, systems, transportation and patterns of urban development, one might reasonably expect some profit-seeking capitalist enterprises to seek to seize the opportunities. Relatively enlightened managers also know that, from a long-term perspective, a stable social order and a sustainable environment are important business conditions. That said, strong opposition can be expected from owners and managers of capital, most notably the big corporations that dominate the national and global economy who see a GND as challenging their prerogative to use capital however they wish, including for the exploitation of nature.

Recent books cast light on the different levels at which these constraints operate and may be addressed. Investigative journalist Marian Wilkinson (2020) makes an important contribution through her forensic study of the ‘carbon club’ in Australia, comprising key players in business, government, think tanks and the media who have thwarted effective climate change policy up to now. It is always important to ‘know the enemy’. Political scientist Lindy Edwards (2020), drawing on a broader range of case studies, reviews the capacity of corporate capital to de-rail public policies in Australia, showing the avenues through which power and influence is exercised. The book by Noam Chomsky and Robert Pollin (2020) analyses the yet deeper political economic roots of resistance to climate change policy that results from the profit-seeking, growth-driving and extractivist character of the capitalist economy. To this can be added the role of consumerism and the ‘disconnect from nature’ as pervasive features of modern society that impede the prospects of achieving ecological sustainability (Celermajer, 2021; Hamilton, 2010). These are all huge obstacles.

Yet, as Chomsky says, ‘a simple consideration of time scales reveals that the existential issues must be considered within the framework of state-capitalist systems’ (Chomsky and Pollin, 2020: 56). In other words, the urgency of the situation – both climate change and economic crisis – must be addressed here and now, working with and through the obstacles. Wishing for a different starting point is not helpful. Rather, what is needed is to get started on trying to change track, including trying to pressure governments to change the rules of the game. The question of the state, as ever in political economy, must therefore be addressed. Can it act in the public interest which it is formally designed to represent? In this instance, can it implement the policies for an effective GND and, in conjunction with the public service, drive the requisite outcomes? In the Australian case, after more than a quarter century of failing to significantly advance climate change policy, there are obvious grounds for doubt. It is not just a matter of the stasis that results from disarray among party political factions, nor even the relentless lobbying by vested interests. Other constraints relate to the capability of public sector bureaucracies to manage the substantial processes and programmes that a GND would entail. It was not always so: following the second world war, the development of nation-building institutions in Australia was impressive (as noted by Pennington and Stanford, 2020: 165–167). However, because much public sector expertise has since been lost during the neoliberal era through privatisation and out-sourcing, there are significant uncertainties about current competence to deal with the complexity of GND development and management. A comparison with the capacity of the state to deal with the implementation of the Accord is pertinent, of which there is further discussion below.

Political possibilities and processes

Is a GND out of reach because it goes against the interest of some fractions of capital and requires greater state capacity than currently exists? This depends substantially on the political process. On the positive side, a political programme offering job-creation, greater economic security, less inequality and stronger action on climate change could have potentially inspiring character for the majority of the electorate, particularly in the continuing context of economic crisis and climate change inaction. But what political bodies would embrace it and could bring it to fruition? The Australian Greens are enthusiastic and, in the event of holding a balance of power in either house of parliament, they could be expected to act as a driving force. However, the position of the Australian Labour Party (ALP), as the only party capable of replacing the current conservative Coalition in government at the next general election, is both more crucial and more problematic. Its policies have been constrained by trying to maintain support in electorates where mining interests are strong. The ALP's often combative electoral relationship with the Greens is also not conducive to cooperation, nor even to adopting a policy whose label is so obviously 'green'. That said, there are some encouraging signs. Prominent ALP party personnel have publicly advocated a policy with at least some of these general characteristics, emphasising the compatibility of job-creation, climate change mitigation and policies to tackle inequality (e.g. Chalmers, 2020; Leigh, 2020; Macklin, 2020; Rudd, 2020). Nor need the question of 'green' labelling be a major impediment, since the programme could be appropriately re-badged for ALP marketing purposes. Former ALP Minister Jenny Macklin's reference to an 'emissions and employment accord' (Macklin, 2020) is interesting in this respect.

The Accord that the ALP established with the ACTU prior to the 1983 federal election was an important tool of economic management and social reform during its four successive terms of government. The Hawke government's initial electoral success occurred during a period of economic crisis when its promise of 'reconciliation, recovery and reconstruction' had strong popular appeal. For people within the ALP to be considering something similar in the current context is therefore not altogether surprising. There are significant differences between then and now, of course. The trade unions have much less coverage of the workforce. The current importance of the climate change issue would also make it essential to give comparable recognition to environmental NGOs in processes of consultation and policy development. Moreover, the previous Accord era has been subjected to strong criticism, including the claim that it was a crucible for neoliberalism in Australia (Humphrys, 2019). But proposing some sort of comparable institutional arrangement for developing a GND could give the ALP both a coherent policy framework and renewed electoral appeal. Then, if successful in forming government, perhaps with the support of Greens, it could presumably consider getting started with a Jobs and Climate Change Summit (as advocated by Langmore, 2020), comparable to the National Economic Summit with which the Hawke government began its long term in office.

Once begun, whether as a general 'green stimulus' policy or the product of an Accord-like process, a GND would inevitably become an arena of struggle between those trying to curtail or derail it and those seeking to move on to yet more comprehensive reforms. Thus, the adoption of a GND would be just the start of a journey of socio-economic

change, not an end point. Regarded in this way, the initial GND proposals and targets would need to function as part of a ‘transitional strategy’, opening the possibility of moving subsequently to more radical transformations as the process develops.

Therein lie potential pitfalls: as Bernes (2019) argues, it can be difficult to adapt institutions and expectations built around short-term goals to more radical purposes down the track. However, viewing the GND as an arena for struggle within the state and beyond – as was the ALP-ACTU Accord – is realistic in that it offers no certainties. Any GND will face opposition from vested interests and climate change-deniers, as previously argued. On the other flank, however, will be environmentalists, eco-socialists, some parts of the labour movement and activists seeking more thoroughgoing transformations of the capital-nature and capital-labour relationships on which capitalism is based (Baer, 2019; Heenan and Sturman, 2020). There are always critics on both sides of a pragmatic reform process. Which way the path of reform veers over time, as the circumstances change, is shaped through social and political struggles over whether to press on with more vigorous policies or to pull back.

Conclusion

This article has explored concerns arising from the current political economic situation and examined the characteristics of a GND as a potential response. The posited policy approach is not a technical fix for the prevailing problems. Rather, it is better regarded as a political process with the potential to transform relationships between economy and environment, politics and society. Seen in this way, it could be a means of getting started on addressing the key political economic and environmental challenges of the era.

Considering the practical forms that a GND could take in Australia, three broad alternatives emerge from the preceding discussion, as follows:

- A programme for ‘green stimulus’, combining the use of fiscal policy with the aim of steering investment into creating more green jobs. This would be a relatively conventional means of boosting the economy during recovery from the current COVID crisis, but given an environmental twist by the associated commitment to climate change mitigation.
- A ‘Jobs and Climate Accord’ process, involving the development of consultative institutions in which representatives of trade unions, community and environmental groups engage in policy development. In addition to ‘green stimulus’, we might reasonably anticipate that the evolving programme would include policies for ‘just transition’, seeking to ensure that action on climate change does not adversely affect vulnerable groups. Industry, regional and trade policies would need to be prominent features.
- A more radically transformative process, putting emphasis on policies for empowerment along with employment, equity and restructuring for ecological sustainability. This would require serious engagement with First Nations peoples and making a more thoroughgoing ecological perspective integral to planning processes, fiscal and social reforms. A bolder programme of this sort could have potential to develop in a democratic eco-socialist direction but, because it would

be challenging to existing structures of political economic power, the outcome would depend on the resulting political struggles.

Which of these three possibilities eventuates – or none of them – depends on the extent of popular mobilisation and support, as well as evolving economic and environmental conditions. One could hardly imagine a clearer illustration of Joan Robinson's view that 'with most economic problems nowadays, the economic answers are only political questions' (Robinson, 1980: 375).

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