



JUST TRANSITION

FOR A GREEN
AND DEMOCRATIC
ECONOMY

CLIMATE BREAKDOWN AND THE JUST TRANSITION

In October 2018 the high stakes of climate breakdown were brought into sharp relief by the UN's Intergovernmental Panel on Climate Change (IPCC) landmark report, which warned that that 'rapid, far-reaching and unprecedented transitions in all aspects of society' will be required to limit global warming to 1.5°C above pre-industrial levels. Failure to do so, the report concludes, would result in 'severe, pervasive and irreversible impacts for people and ecosystems'.

That the climate crisis is no longer a future threat but an urgent and present danger is clear from the fact that its accelerating impacts are already being felt in terms of rising sea levels, intense heatwaves, ocean acidification, land degradation and the unprecedented decline of biodiversity.

For environmental, indigenous and labour activists who saw the writing on the wall decades ago, there will be bittersweet relief that their ideas seem to have finally come of age. It was in the 1970s, during the second wave of modern environmentalism, that these groups first joined forces to spell out the need for Just Transition strategies in North America. Initially understood as a programme of support for workers who stood to lose their jobs in industries made redundant due to environmental pressures, the Just Transition gradually broadened to focus on the spill-over implications for frontline communities.

THE JUST TRANSITION TODAY

It is no longer a question of whether we move to a net zero economy, but how and when. Limiting global warming to 1.5 degrees is already likely beyond us. Achieving the slightly more realistic target of 2 degrees warming will require a rapid and comprehensive decarbonisation of the global economy, but even that would condemn racialised, indigenous and working-class populations of hotter, low latitude regions to face the disproportionate impacts of climate destruction. For workers and working-class communities of the global North, the threats are twofold, first, that they may be forced to pay the price of climate action through job losses, punitive sanctions and permanently deprived living standards; and second, that a 'climate apartheid' scenario, where the rich pay to insulate themselves from the worst effects of climate breakdown while the poorest are left to suffer. While the transition away from carbon is inevitable, justice is not. From its origins in the North American labour movement, the concept of a Just Transition has gradually evolved and spread to different geographies. It is now broadly understood as a transformation of all aspects of the real economy and finance in support of climate action targets, with the objective of 'smoothing the shift towards a more sustainable society and providing hope for the capacity of a "green economy" to sustain decent jobs and livelihoods for all'.

In recent times this basic premise of a Just Transition has been taken up by a range of constituencies, from environmental groups to the International Labour Organization (ILO), parts of the private sector and – since its inclusion in the Paris Agreement of 2016 – national and supranational policy-making bodies. The demand for a systemic, whole society approach to climate action has also led an increasing number of Just Transition advocates to coalesce around the need for a Green New Deal, most notably in Britain, the US and the European Parliament.

10 DIMENSIONS OF A JUST TRANSITION

Just as there are different versions of the Green New Deal, so conceptions of the Just Transition vary in scope, ambition and their national implications. But we argue that any Just Transition worthy of the name should address several overlapping dimensions:

1

Recognising that climate breakdown is being driven by our inequitable economic system, the guiding principle of a Just Transition is that climate ambition cannot be divorced from social and economic justice. The process for decarbonising the economy should not cost workers or communities their jobs, environment, economic security, health or wellbeing, but instead provide the means through which their lives are positively transformed.

2

A Just Transition to a zero carbon economy demands a radical systemic response to what is a systems crisis. We must overhaul the system of capitalist expropriation, accumulation and exploitation that is driving climate breakdown. This means major structural changes, not just individual behavioural, community or technological change, in all areas of the global economy and wider ecosystem.

3

Delivering these structural changes at the scale and speed required for rapid decarbonisation will necessitate state-led planning, regulation and democratic control of key policy and investment decisions. This planning of a national economy is not only feasible in light of technological and logistical advances, but essential due the market failures which are deepening the climate emergency.

4

To avert a climate catastrophe, states will need to tackle one of the major causes of carbon emissions: a self-regulating, globalised financial system that continues to pour exponential quantities of credit into socially and environmentally destructive activities. A Just Transition will only be possible with a democratised financial sector that is placed at the service of transformation. This fundamental reshaping of private finance needs to take place within a state-led investment strategy which repurposes central banks, directs monetary and fiscal policy towards a Green New Deal and promotes democratic investment and lending vehicles such as credit unions and community banks.

5

A Just Transition recognises that decarbonisation of the economy may involve significant disruption particularly in energy but also in carbon-intensive sectors such as transport, manufacturing, construction and agriculture. Early action and long-term planning for can minimise the negative impacts and maximise the potential for creating hundreds of thousands if not millions of decent, well-paid and unionised green jobs. This can be delivered in part through an ambitious **Green New Deal** that involves sectoral strategies for transformation, transition agreements, a Job Guarantee, training and apprenticeships, good pensions and early retirement support for those who choose it or can no longer work. What's more, this agenda can only be maintained by **strong trade unions** which enjoy the right to access, enhanced bargaining power and the right to strike.

6

Meeting the goals of climate action demands a radical transformation in **land use and agriculture**, particularly in countries such as **Ireland** which have a large agricultural sector. An effective approach to the Just Transition in this area would combat inequalities in farming, promote food security, assist rural regeneration and simultaneously fight climate change. This will require the state developing and investing in a plan for the transition to ecologically regenerative and sustainable land use. It will also require a radically new approach to stewardship of the commons.

7

The workers, farmers and communities most affected by the transition to a zero carbon economy must be proactively involved in determining how it is implemented. Their voices need to be heard at every level and every stage of the decision-making process, within a newly instituted system of **democratic participatory planning**. This is crucial not only to assuage understandable suspicions and fears of disruption, but also to harness their skills, experience and creativity for the benefit of a smooth and equitable transition.

8

The key to achieving a Just Transition is building public affluence through the redistribution of wealth and an expansion of social goods such as energy democracy, green public housing, access to clean public transport, universal health and social care, free education, the right to clean air, water and the commons. Place-based strategies for community-wealth building can also help to steer wealth, power and the wider benefits of a Just Transition into the hands of local people. This is not simply a moral imperative but central to recruiting workers and working-class communities as agents of transformative change.

9

A Just Transition is nothing if not **internationalist and anti-imperialist**. The OECD nations which have spent the last century driving carbon emissions through extractivism, expropriation and exploitation, are obligated to cut their emissions deepest and fastest. Facilitating a Just Transition must extend to economic transfers from the richest countries to the global South in order that they can leapfrog over fossil fuels, invest in green technologies and prepare for the inevitable disproportionate effects of climate change. Justice also means that any domestic climate movement worth its salt has to stand opposed to new imperialist adventures in pursuit of scarce resources.

10

Our hope and confidence in the possibility of transformative change stems from the knowledge of past transformations, and from our enhanced understanding of how economic and financial systems operate. Just as the world's economic and political elites declared a crisis and marshalled trillions of dollars overnight to prop up an ailing financial system, so it is possible for states to mobilise society's resources to transform the economy today. Another reason that a Just Transition is necessary and achievable is because the richest 10 percent of the world's population is responsible for 50 percent of emissions. This knowledge, popularised through a programme of political education, can be a motor for **building an effective red-green movement for change**.

