Green Jobs or the New Quick Fix? Musings Toward an Analysis (or maybe just a rant)

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Where we are today

- The world has changed; we have changed it.
  - The global climate is perturbed perhaps irremediably.
  - Western energy use and consumption is unsustainable.
How have we responded?

- Bush administration denied the problem.
- Obama administration acknowledges the situation and uses old tools, techniques and understandings of the twentieth century, siloing the issue as one of the “environment” rather than a systemic, integrated and complex set of historical dependencies and patterns.
Stimulus funding for job creation – and including “green jobs,” “green” energy, “green” buildings.

- **Federal program:** The American Recovery and Reinvestment Act -- $6.3 billion for energy efficiency for state and local energy programs
  
  - (1) To preserve and create jobs and promote economic recovery.
  - (2) To assist those most impacted by the recession
  - (3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health
  - (4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits.
Stimulus

- ARRA:
  - $787 billion over 2 years
  - Clean Energy/Green Jobs investment: $110 billion
    - $8 out of $10 going to a foreign country
      (Investigative Reporting Workshop and ABC News)
Categories

- Energy Efficiency -- $34 billion
- Renewable Energy -- $7.9 billion
- Grid Upgrades -- $10.9 billion
- Carbon Capture and Sequestration -- $3.4 billion for technology and $20/ton for carbon captured and stored
- Public Transit -- $17.7 billion
- Transportation Infrastructure -- $29.24 billion
- Domestic manufacturing (batteries & tax credits) $2 billion
- Alternative fuel vehicles -- $1.3 billion
- R&D -- $5.8 billion
  - Propping up the same old same old?
Direct to People (but not to systemic change in what work is to be done)

- Green Jobs Training -- $1.15 billion
  - Workforce Investment Act green jobs training -- $500 million
  - Job corps facilities -- $250 million
  - Youth build programs -- $50 million
  - Smart grid worker training -- $100 million
  - High growth advanced industries -- $250 million
- National Service AmeriCorps -- $200 million
How this is interpreted locally

- Los Angeles as example
  - Establishes a Green Tech corridor in partnership with a University consortium:
    - UCLA
    - CalTech
    - USC

Goal: to develop a heavy manufacturing center for wind machines, rail cars etc. . . And to invent - ?
This is clean energy/green tech; no standards about energy requirements, waste generation, LCA, industrial ecology

Techno-optimism with no substance and no criteria
Simultaneously low skill jobs reoriented toward energy conservation – “living wage”

Upskilling gardeners

- Another consortium with UCLA, but with labor center
- Involves teaching gardeners to install irrigation systems and about plants that need less water.

- “New” jobs
  - Insulation and other built environment improvements
  - Energy audits
    - Not much evidence of implementation
A Bifurcated Approach

- High tech, trying to jump start a new manufacturing center where none existed using models from other places – technology transfer and university research as spark and relying on high tech labor pool left from aerospace era based on a hope the Universities will come up with something cool
- Low skill, low wage sector to provide labor force (“green” collar), but with “living wages,” and job training. Reminiscent of California Employee Training Act of the 1970s (and many others)
Los Angeles Economic Context

- **CONTEXT The job market**
- LA is the largest manufacturing city in the US: 470k jobs in the manufacturing sector.
- Manufacturing jobs have been declining almost continuously since 1990 (until 2006 by 350k jobs, i.e. by 43%).
- Manufacturing replaced by new jobs in real estate, retail and other services (over the last 25 years net job loss 50k).
  - However, in terms of wages paid, the trade-off was negative, retail/services pay below the living wage. Currently, LA has no growing industries that pay living wages.
- At the same time, the population of the city has continued to grow (by one million over the last 25 years).
Green Tech Corridor

- Create a clean technology cluster in the city, the Clean Tech Corridor, through which “green collar” jobs will be generated. The plan was developed by Community Redevelopment Agency of Los Angeles (“CRA/LA”).
  - new “clean” manufacturing would be steered through specially designed incentives and hiring policies, to engage local workforce withdrawn from the declining “old” manufacturing sector,
  - the new “green collar” jobs will require relatively little training, but
  - they will be capable of paying living wages, i.e. higher than those offered by the real estate and retail sectors,
  - last but not least, the green business will lead to the rebuilding of the city’s middle class, decimated by the demise of the “old” manufacturing.
The Cleantech Corridor is a cluster of industrially-zoned land in Downtown Los Angeles being positioned as a destination for cleantech businesses. From manufacturing and research to business incubators, the Cleantech Corridor will attract quality green-collar jobs.
Three Major Components

- Cornfields Arroyo Seco Specific Plan
  - Collaborative LEED ND Pilot project (real estate development strategy)
- Los Angeles Department of Water and Power Clean Technology Research Center
  - 6 acre site of ‘green’ building with labs and office space
  - Focus on R&D of cutting-edge clean technologies
- CleanTech Manufacturing Center
  - 20.6 acre site owned by CRA/LA looking for anchor tenant and incubators of clean tech manufacturing.
Results so far

- No Anchor tenant
- Incentives minor – on the order of waiving the business tax by $500, lowering parking ratios, providing discounted electricity (seems contradictory to intent for clean manufacturing)
- High move-in standards
- Lead CRA official asked to resign by the Mayor for internal political reasons
- University consortium has nothing to show
- Failure to build on LA’s skilled workforce
Jobs in LA County Today

- Apparel: 55,000
- Computer and Electronics: 54,100
- Transportation equipment 50,500
- Fabricated metal 48,900
- Food Products 41,900
- Tourism 458,000
- Professional services 268,000
- Entertainment 262,000
- Wholesale 172,000
- Health 153,000
  - (Los Angeles Economic Development Corp. 2010)
High Skill – Low Skill is there no middle path?

- Regional economies exhibit specificities. No place is the same.
- Los Angeles, decentered, small scale and specialized manufacturing
- Home of entertainment industry
- Lots of tourism
- Former center of highly skilled and high value aerospace
- Lots of food processing
What Could the New Economy Look Like?

Start with where you are and reduce energy and materials in existing sectors.

Emphasize reuse, repurposing, remanufacturing.

Embed full cost accounting as new standard.

Price waste.
WHAT SECTORS CAN BE BUILT ON?

Clean Tech Corridor

- Entertainment – more efficient lighting, retrofitting talent trailers for energy efficiency, sourcing local food for location shoots, reducing waste, less energy consuming studios – including recording by using local artisanal knowledge in the industry
- Clothing – more energy efficient machines, non-toxic dyes, remanufacturing of fabrics, new lighting strategies.
- Food processing – capitalize on regional agriculture
- Develop eco-tourism, conservation tourism
- Capitalize on the health care industry and sizable alternative health practitioners now working in traditional settings
HOW TO USE THE UNIVERSITIES

- Turn educational institutions into national centers of invention for reuse of materials, test bed for reducing material flows out of the region (see cardboard, steel . . . )
- Charge the universities with envisioning a carbon neutral LA in 2020
LOCAL GOVERNMENT

Need political will and leadership

• Make building, health and safety, transportation codes reflect energy and materials use reduction so that there is the market for repurposing, reuse, remanufacturing

• Take leadership in instituting green municipal accounting standards

• Acknowledge places can’t be saved from the outside – mostly innovation comes from existing strengths
Most “clean” jobs are not – materials are still mined and manufactured

Energy & materials use in society ubiquitous and drive climate change, pollution & land use change – one off green jobs and clean energy incentives don’t begin to address the fundamentals

Avoidance of necessity of rebuilding a more modest economy and lifestyle, turning existing skills and knowledge into solving the need to reduce energy flows and sinks
Some Directions for the Future

- Forget clean energy – it does not exist
- Forget green jobs – they should not exist
- Forget sustainability – it is a chimera
- Move to different metrics:
  - Reduction of energy flows into urban areas and energy sinks (waste)
  - Develop the principle of sufficiency – what is enough
  - Build on existing strengths and knowledge
  - Value artisanship and bricolage
  - Embed full cost accounting in all sectors
  - Less is more