

Excerpt from Scientific Alliance Newsletter June 26, 2009

Green jobs

WWF has recently published a report, "Low Carbon Jobs for Europe - current opportunities and future prospects". Not surprisingly, the report is bullish about the prospects, predicting that green investment will create more jobs than it will destroy. The authors accept that job losses will occur in "energy extraction and refining, the power sector and in energy-intensive industries like steel, aluminium, paper and cement. The auto industry and aviation will also be affected." These sectors account for about for approximately 7 million jobs of an EU total of 130 million (2006 figures).

In France, WWF concludes that cutting CO₂ emissions by 30% by 2020 would create 315,000 jobs in the renewable power industry and 564,000 dedicated to energy efficiency. Against this, they predict 130,000 jobs to be lost in the current energy sector and 107,000 in the car industry. (As an aside, since the majority of France's electricity comes from nuclear stations, the need for renewables seems even harder to justify than in other countries.)

But these are just predictions based on some quite optimistic assumptions. Indications in Spain are that green jobs are much more costly to create than more conventional ones. The jobs created in the energy efficiency sector are not likely to be sustainable in the long term: people only need to have their house insulated once. And employment in the energy sector is also likely to be boosted by a peak of construction to change infrastructure.

After that, what are the prospects? If green jobs cost more to create, they reduce the EU's global competitiveness. It is conceivable that, if renewable energy really does become a major part of industrialised countries' generating mix, European companies could be leading global suppliers. However, the omens are not good in a bloc which seems to have lost much of its entrepreneurial spirit, and where the Lisbon agenda to improve global competitiveness is barely mentioned anymore. Already, China seems to have become the world leader in producing photovoltaic cells.

In the meantime, Europeans continue to need the output of "energy extraction and refining, the power sector and energy-intensive industries like steel, aluminium, paper and cement" where the WWF assumes jobs will be lost. Greening the European economy could just take the form of a large increase in the export of jobs.