Green Jobs/Green Infrastructure:
Sustainable Prosperity for the 21st Century

Mathew Forstater
Binzagr Institute & UMKC
SUBURBAN SPRAWL

RAPID EXPANSION OF CITIES & METROPOLITAN AREAS

LAND CONSUMING PATTERN OF GROWTH

NORTH EAST & EAST US
Forest Canopy Loss, Atlanta Metro, 1974 to 1996

Landsat MSS 1974 80 Meter Pixel Resolution
Landsat TM 1996 30 Meter Pixel Resolution
Envisioning Sustainable Prosperity

“jobs versus the environment” mindset must be replaced with “jobs and the environment” approach
What are “green jobs”?:

– the definition of “green jobs”

– the assumptions behind the analysis

– the other parts of the total policy package
2 sets of problems: economic and environmental

- Capitalism is both macroeconomically unstable and environmentally unsustainable
- Macro problems: unemployment, poverty, inequality, inflation/deflation, financial instability, etc.
- Environmental: system must satisfy sustainability rules regarding rates of resource depletion, relation between emissions and assimilative capacity, etc.
full employment and environmental sustainability?

- Conventional macro and environmental policy approaches are unlikely to work.
- Even if they did, successful macro policies increase environmental problems and successful environmental policies exacerbate macro problems.
- Appears as if full employment and environmental sustainability are incompatible goals.
Unemployment policies must consider:

• Keynesian – insufficient effective demand
• Structural – ongoing structural and technological change
• *Functionality* of unemployment – and the implications of the loss of functionality that comes with full employment
flexible, sustainable full employment

- Green Jobs as part of a Public Service Employment program based on the principles of functional finance, accompanied by ecological tax reform
Public Service Employment

• federal government offers PSE job to anyone willing and able to work at a basic PSE wage-benefits package
• strong counter-cyclical stabilizer
• federal government pays for program; community organizations, NGOs and local governments administer program
• addresses not only Keynesian but also structural unemployment, and deals with functionality issue
PSE and the Environment

• At least two ways a PSE program can promote sustainability:
  – Since PSE activities are not for profit, they can be designed according to broader macro, social and environmental ‘efficiency’ criteria
  – PSE activities can perform environmental services
Private firms are compelled by competitive pressures to use cost-minimizing methods of production, regardless of environmental impact.

PSE activities can be designed so as to pollute less, use less exhaustible resources, etc. Even if they performed no explicit environmental service, an economy brought to full employment through PSE would be more sustainable than if the private sector were expanded to full employment.
Green Jobs Corps

- community and industrial recycling
- improved insulation for residential and commercial structures
- carpooling
- rooftop gardening and urban landscaping
- solar energy applied to the public infrastructure
- monitoring and enforcement, environmental education, and research support
functional finance and ecological tax reform

- tax ‘bads’ (pollution, resource depletion, unsustainable behaviors), not ‘goods’ (employment, income, innovation)
- money as accounting information versus ‘real’ resources subject to laws of physics
- deficits can be too big, but they can also be too small
- environmental taxes, subsidies, quotas, etc.—reward green behaviors, punish ‘dirty’ behaviors