

How to green all jobs?

Stephen.White @ ec.europa.eu

DG Environment

Unit of Chief Economist, Instruments and Impact Assessment



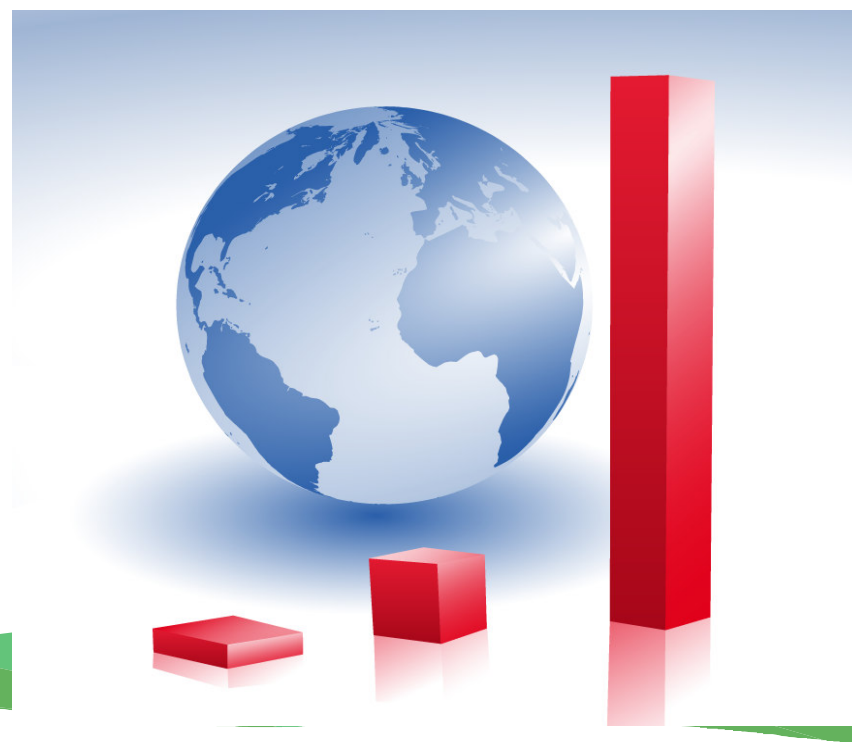
Transition to a Successful Low-Carbon Economy

Key Points

- Economic structural change is inevitable
- It can be economically beneficial or hard
- We can choose which – we define our economy's path
- Inertia and lock-in mean we are naturally on the path to economic problems
- Private and Public leadership is needed for future economic and ecological success

Rapid Structural Change is both desirable and inevitable

- Global population expected to grow and they aspire to OECD levels of income
- Economy need to be 15 times its current size by 2050
- Resources and Ecosystems are already over-stretched
- Meanwhile, GHG emissions have to be significantly cut



environment

The specific problems we must tackle: Why isn't the economy already resource efficient?

■ Market Failures (those policy already tries to tackle)

e.g. externalities, the tenant-landlord

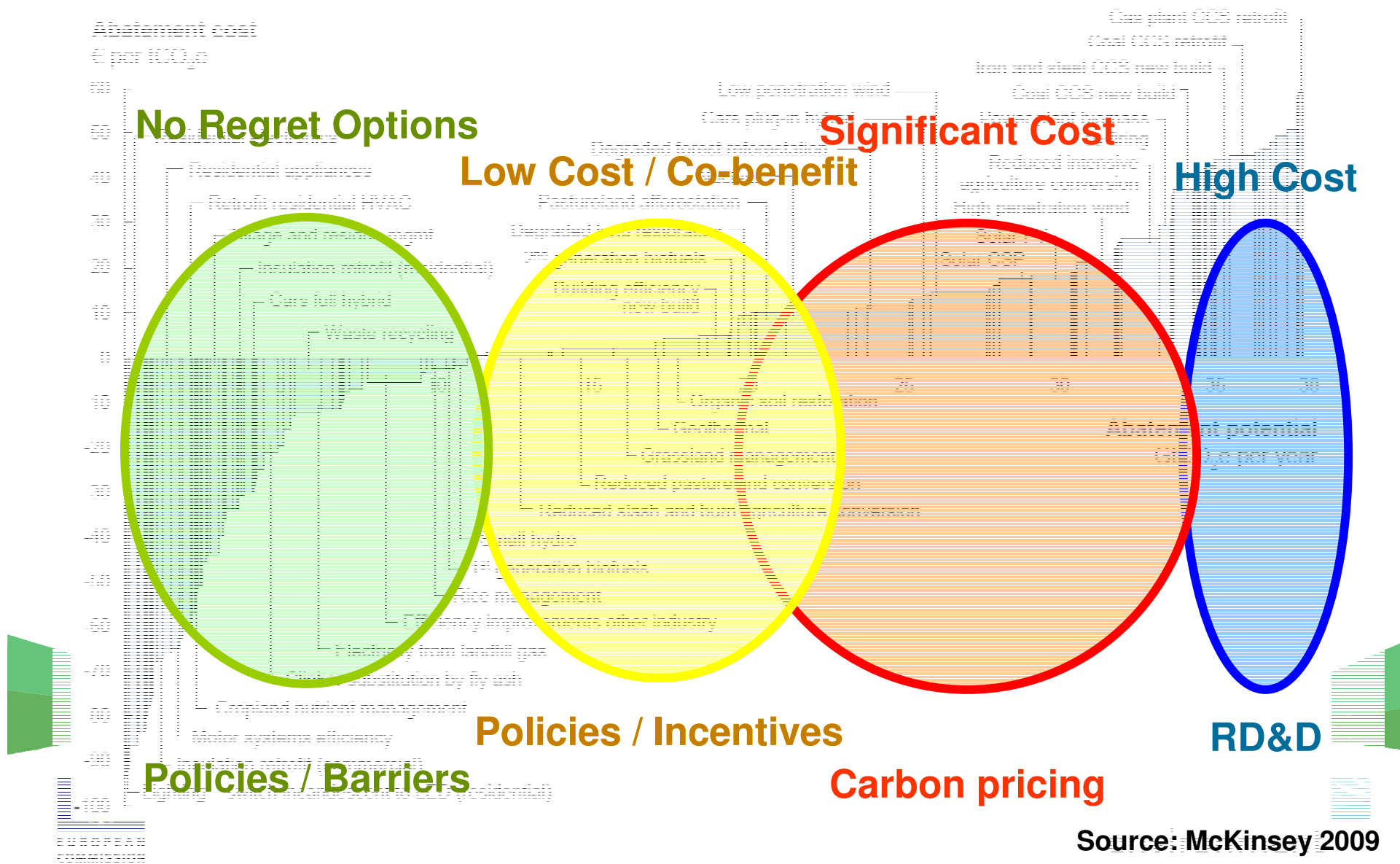
■ Short-term decision making:

- Individuals typically don't put much weight on the future
- Firms sacrifice long-term gain for short-term profit figures,
- Political systems reward short-term policies.

■ "Lock-in"to:

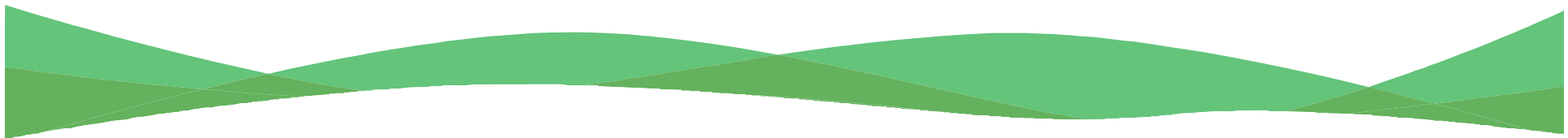
- Infrastructure (eg. transport systems, elec. grids)
- consumption patterns and business models (habits and inertia)
- skill sets (training for new skills needs assistance and vision)

A static view of opportunity and cost: policy response



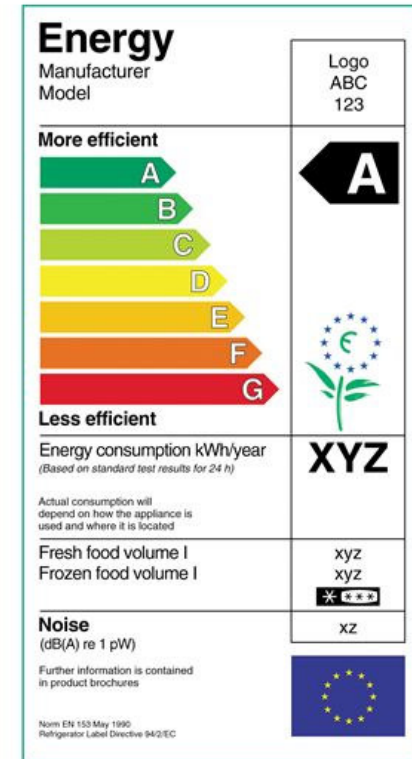
Business will play its role...

- **Corporate Social Responsibility** - environment is a business opportunity
- EU is a **world leader in eco-technologies**
- Global markets for environmental goods **forecast to grow** from €1000 bn in 2005 to €2200 bn in 2020



Consumers can play a role....

- Response to **labels**
- Tenant landlord issue (can be short-termist)
- Willingness to buy green, go green ... if helped to do so



By itself not enough

- Markets by themselves will not deliver. Need **governments and social actors support**
 - Changing price signals ie environmental taxes, emissions trading
 - Standards and regulation
 - Delivering green skills
 - Supporting environmental technologies
 - Labour markets - flexicurity
- **Share best practice, learn from each other**

Partnership in action - European Social Fund and green skills

