

# The Green New Deal: Realistic Proposal or Fantasy?

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The Green New Deal (GND), drawn up by Congresswoman Alexandria Ocasio-Cortez and Ed Markey, is the most ambitious and comprehensive program to deal with climate change ever made by political representatives to Congress and the U.S. public. It calls for making dramatic changes within the next ten years to end our reliance on fossil fuels that are warming the planet at an alarming rate. But it is not only about curbing carbon dioxide (CO<sup>2</sup>) emissions: it is most of all a proposal to set us on a path of creating an ecologically sustainable society.

The GND lays out seven major proposals for ending U.S. society's addiction to fossil fuels—the most destructive form of addiction known on this planet:

- Dramatically expand existing renewable power sources and deploy new production capacity with the goal of meeting 100% of national power demand through renewable sources.
- Building a national, energy-efficient, “smart” grid.
- Upgrading every residential and industrial building for state-of-the-art energy efficiency, comfort and safety.
- Eliminating greenhouse gas emissions from manufacturing, agricultural and other industries.
- Eliminating greenhouse gas emissions from transportation and other infrastructure, and upgrading water infrastructure to ensure universal access to clean water.
- Funding massive investment in the draw-down of greenhouse gases.
- Making “green” technology, industry, expertise, products and services a major export of the United States, with the aim of becoming the undisputed international leader in helping other countries bringing about a global Green New Deal.[1]

These seven policy prescriptions are ambitious enough. Yet the GND goes further, by stipulating it “Shall recognize that a national, industrial, economic mobilization of this scope and scale is a historic opportunity to virtually eliminate poverty in the United States and to make prosperity, wealth and economic security available to everyone participating in the transformation.” It spells this out with eight specific proposals:

- Provide all members of society the opportunity, training and education to be a full and equal participant in the transition, including through a job guarantee program to assure a living wage job to every person who wants one.
- Diversify local and regional economies to ensure workers have the necessary tools, opportunities, and economic assistance to succeed during the energy transition.
- Require strong enforcement of labor, workplace safety, and wage standards that recognize the rights of workers to organize and unionize free of coercion, intimidation, and harassment, and creation of meaningful, quality, career employment.
- Ensure a “just transition” for all workers, low-income communities, communities of color, indigenous communities, rural and urban communities and the front-line communities most affected by climate change, pollution and other environmental harm including by ensuring that local implementation of the transition is led from the community level.
- Protect and enforce sovereign rights and land rights of tribal nations.
- Mitigate deeply entrenched racial, regional and gender-based inequalities in income and wealth (including, without limitation, ensuring that federal and other investment will be equitably distributed to historically impoverished, low income, de-industrialized or other marginalized communities).
- Include measures such as basic income programs, universal health care programs and any others as the select committee may deem appropriate to promote economic security, labor market flexibility and entrepreneurship.
- Deeply involve national and local labor unions to take a leadership role in the process of job training and worker deployment.

These eight proposals regarding full employment, universal health care, support for unions and marginalized communities, opposition to racial and gender-based discrimination, etc. may seem, on the surface, to have little to do with the GND’s central aim of radically reducing greenhouse gas emissions within the next ten years. But in fact these eight proposals have a great deal to do with the seven that address ending reliance on fossil fuels. They are not some throw away meant to sneak a radical political agenda into an otherwise technical discussion of how to lower CO<sup>2</sup> emissions. They are needed to wean U.S. society away from its addiction on fossil fuels.

Here is why: Climate justice can’t be achieved without changing the structures of U.S. society that make it hard to break from our reliance on fossil fuel. Over 1.4 million Americans directly work for the fossil fuel industry. It makes no sense to propose scaling back and eventually eliminating this industry unless those displaced from it are assured of jobs that pay decent wages and benefits. As Jedediah Britton-Purdy recently put it, “In the twenty-first century, environmental policy is economic policy. Keeping the two separate...is an anachronism.”[2] Moreover, innumerable parts of our society depend on fossil fuel in addition to the gas we put in our cars. This includes building construction, packaging, and agriculture (most pesticides and fertilizers are made from fossil fuels)—even shampoo (yes, almost all of them are oil-based). Just look around you: almost everything, from the plastic tables and chairs to the Formica panels and light fixtures, are by-

products of petroleum. These and many more products and the industries that make them will have to be reconfigured to drastically reduce CO<sup>2</sup> emissions. Clearly, this cannot be done unless there is buy-in from the mass of the U.S. public—which needs affordable housing, health care, free education, and the elimination of racial and gender-based policies that maintain the status quo instead of fostering the common good. In sum, *global warming is a social justice issue*. If we don't address the social injustice that is the main condition for the possibility *and even the necessity* of the addiction to fossil fuels, we are left without an approach to making even a dent in the problem.

This is already obvious from some recent events. In France, Macron's government imposed a carbon-tax on gasoline as part of its effort to meet the international accords reached several years ago to lower greenhouse gas emissions. But it did so at the same time as reducing tax rates for the rich and cutting social programs. As a result, the Yellow Vest movement arose, initially united around a demand that the gasoline tax be revoked (their demands have since exceeded that). It isn't that they don't care about global warming—many participating in the protests are farmers who see evidence of it every day. But they don't want those already subjected to austerity measures and social marginalization to be the only ones to pay the cost of redressing climate change.

It is one of the virtues of the GND that it *doesn't* include a carbon tax in its lists of proposals. The aim should not be imposing regressive taxes on the consumption of fossil fuels but rather restricting their *production* through a comprehensive program that can transition U.S. society from its currently ecologically unsustainable energy policies.

Although the GND does not mention how much it will cost to achieve this transition, it will clearly cost trillions of dollars. Is spending that much realistic or an utter fantasy? It is surely *necessary*, given that the Intergovernmental Panel on Climate Change recently reported that we have 12 years to transform the global economy away from fossil fuels if we expect a livable climate for human beings. Twelve years! The clock is ticking and we cannot wait until the effects of global warming become so dire as to be irreversible. Moreover, the trillions that it will cost to transition from carbon-based to sustainable energy systems pales in comparison with the many trillions more that will have to be spent dealing with mass migrations, loss of habitats and farmland, and the need to rebuild entire cities and even countries as sea levels inundate coastal areas. It is worth keeping in mind that the global energy infrastructure is today worth \$30 to \$40 trillion and turns over every three or four decades. That's a huge sum of money needed just to reproduce the carbon-based energy infrastructure we already have. Why not spend a commensurate or even greater amount to eliminate it altogether with a new system of producing energy, given that the continued use of the one we have now may spell the end of civilization as we have known it?

For these reasons, the GND is an important starting point for conceiving how to take effective action *now* to halt and reverse the impact of climate change. But it is only a starting point, since it has its limitations. The problems begin with its name. The *Green New Deal* obviously harkens back to the New Deal of the 1930s and 1940s, the comprehension program born in response to the Great Depression that produced the modern welfare state. While many praise its beneficial social impact, the New Deal actually did not lift the U.S. out of the Depression. World War II did. By 1944, 70 cents of every dollar spent in the U.S. went to the military. The size and role of the state expanded enormously, enabling the U.S. to marshal the power and resources needed to defeat Nazi Germany and fascist Japan. In doing so, the New Deal introduced important legislation that improved the lives of much of the populace, especially workers, and including African Americans (which is one reason Blacks switched their long-held allegiance to the Republican Party to the Democrats during the New Deal).

However, the aim of the New Deal was to save capitalism from collapse—not to transition to a new social order. Here is where the comparison with our situation today ends, since we cannot effectively

deal with climate change without transitioning to a new social order. This is because capitalism has been hooked on fossil fuel for over two centuries. It is endemic to the very structure of the capitalist economy. Capitalism is a system defined by the drive to increase monetary wealth, especially in the form of profit, as an end in itself. Every business exists to make a profit; if profit rates for a particular enterprise decline relative to others, it is only a matter of time before it will be driven out of business. Fossil fuels are highly conducive for economies driven by the profit-motive since it packs an enormous amount of energy into a relatively small volume that is easily transportable from one location to another. Capital's abstractive logic of domination, which seeks to liberate social life from natural spatial determinations for the sake of augmenting value as an end in itself, is almost inexorably drawn to fossil fuels that can be transported anywhere. It is therefore extremely unlikely that it will be possible to wean capitalism off of its addiction to fossil fuel without undermining the economic principles that govern it. The GND implicitly points in this direction this, by calling for a series of changes that get in the way of the business-model pursuit of profit (such as its insistence on full employment, paying workers a living wage, providing free health care and education to all citizens, etc.). But this fits uneasily with the model of the New Deal of the 1930s and 1940s, which was trying to save capitalism.

When the GND was being drafted, Alexandria Ocasio-Cortez initially didn't want to call it "the Green New Deal," perhaps for some of these reasons. But others thought it has a catchy ring that would connect with the public. But as a result, most critics as well as supporters of the GND take the phrase *literally*, by thinking the same principles and policies that drove Roosevelt's New Deal can save us from the grave threat of climate change today. But there are at least three major problems with this viewpoint.

The first problem is that it narrows the horizon of the debate over global warming to private interests versus government intervention, or corporations versus the state. Private industries and enterprises operate according to the profit motive. For this reason, it is argued, they lack an incentive to produce goods and services in an ecologically healthy way. If profit rates can be maintained or increased by using carbon-based fuels, they will use them—unless prevented to do so by some outside force. That outside force is the government or state. Since government is based in the collection and distribution of revenue, it is not driven, many argue, by the profit motive. It has no inherent incentive to produce goods and services in a manner damaging to the environment—at least when it is subject to the needs of the citizenry instead of corporate interests that manipulate it to serve its ends. Since the entire economic model is based on carbon-based emissions, it will take an outside force like the state to compel businesses to act otherwise. And they need to be compelled to act very soon: otherwise, we will reach the tipping point beyond which dealing with global climate change will be outside of our reach.

Furthermore, the amount of economic resources and political power that even the largest corporate entity can muster, let alone private individuals, is minuscule compared to that of the government. The world's largest multinational corporation, Apple, has a valuation of \$800 billion—far smaller than this year's Federal Budget of \$4.5 *trillion* (state and local government budgets account for \$3.1 trillion more). No private or business interest can match this level of resources. There would never have been a U.S. highway system without government spending (little of it came from private sources); and there would never have been the Internet, personal computers, or smart phones without government spending (the microprocessor was a product of hundreds of billions of dollars devoted to research and development by the Defense Department and NASA). And so it is when it comes to climate change: when it comes to such a huge and complex issue as moving our society away from its addiction to fossil fuels, a massive degree of government intervention in at least some form will be needed.

There is much to be said for this argument. If we face a 12-year deadline to seriously reduce carbon

emissions, it isn't going to happen by relying on the market or private individuals. Yes, we can take individual steps to reduce our consumption of meat (79% of the land devoted to agriculture in the U.S. is devoted to animal feed, which produces a huge percentage of global greenhouse gas emissions), we can use less plastic when we shop, and we can try to recycle more. But such actions, welcome as they are, cannot stop the impending catastrophe on their own. They are drops in the bucket. As Benjamin Selwyn argues, "What we need, to avert climate catastrophe is a systemic approach to comprehending and transforming the current global economy." [3]

However, it is a major mistake to frame such a transformation in terms of uncritically embracing the power of the state. First, governments are readily prone to being used by corporate and oligarchic interests for their own ends. They are not neutral formations devoid of class interests. That has always been the case, but it has never been truer than today. To give but one of many recent examples, the Supreme Court's ruling on Citizens United has allowed a flood of corporate money—including much from the fossil fuel industry—to shape government policy. Therefore, relying on the state to curb carbon emissions won't work with the kind of political system we have today; it will instead require a radical transformation of the entire structure of American governance. It will require nothing less than a *political revolution* in which the U.S. and other countries become genuine *social democracies* (in the *original* sense of that term) that serve the needs of its citizens instead of the corporate elites that preside over them. In a word, the goals of the GND require transitioning from the partial and flawed democracy we have today to a *genuine* or *true* democracy.

This is where the comparison of the Green New Deal to the New Deal of the 1930s and 1940s is quite misleading. The New Deal did not transform the structure of American politics; in some respects it further entrenched it. One reflection of this is the way in which Congress passed the New Deal with the support of Southern white segregationists who used it to solidify their power at the expense of African Americans. Roosevelt's housing policy, which was a central component of the New Deal, gave federal support to racially segregated housing, which prevented blacks from buying or renting property in many parts of the country. The authors of the GND are aware of this, which is why one of its points calls for "a 'just transition' for all workers, low-income communities, communities of color, [and] indigenous communities..." However, far too many supporters of the GND seem to naively presume that such goals can be accomplished with the framework of existing power structures. They assume that the state is more powerful than civil society can ever be. There is no doubt that the state appears to be powerful—even infinitely powerful. However, it is not as powerful as it appears, since it is ultimately dependent on the structures of civil society. Where the latter remain unchanged, the limits of policy changes at the level of the state become evident.

Second, governments are notoriously bureaucratic institutions that tend to defer, delay, or indefinitely postpone implementing even the most well thought out and valuable plans and initiatives. Whereas private businesses pursue money as an end-in-itself, the state and governments promote bureaucracy as an end-in-itself (obviously this also applies to non-state entities as well, as in academia). One enthusiastic supporter of the GND, the acclaimed labor historian Jeremy Brecher, has become so enthralled of its presumed connection to Roosevelt's New Deal that he recently proclaimed, "Government initiative is necessary to cut through inertia, bottlenecks, and bureaucratic red tape." [4] I confess to finding it very strange to call upon government bureaucrats to cut through bureaucratic red tape; it's sort of like asking the foxes to guard the hen house.

For these and related reasons, although the Green New Deal quite understandably originated as a legislative initiative, it cannot be allowed to remain one. If it stays as a purely legislative initiative it will die a quick death, since there is very little chance that Congress will approve it anytime in the near future—and none at all so long as Trump is in power, since he cares not a whit for the future of the planet; his only concern is the future of his and his friend's financial investments. Climate change deniers are so much in love with their pocketbooks that they seem not even to care about the

future of their own children; the live by the motto, “after me, the deluge.” However, the barrier to the GND being taken seriously in Congress isn’t limited to Trump or the Republicans, since many congressional Democrats are likewise beholden to big business; a case in point is Nancy Pelosi, who has dismissed the GND as a “green dream.” She is wrong about this; the GND is not a mere fantasy. It sets forth a valuable series of goals that should be actively promoted with as much enthusiasm and force as we can muster. But doing so will require that we take the GND beyond the confines of its legislative origin by advancing aspects of it in our communities, social organizations, and other institutions of civil society. It must become taken up, revised, developed, and radicalized, as part of a mass social movement that is not simply an arm of one or another government agency.

Third, and most important, confining the response to global warming within the parameters of the dichotomy of private versus government, or market versus state, misses a fundamental determinant: the growth imperative that is endemic to capitalist societies. Since capitalism is based on a drive to increase monetary wealth as an end in itself, capitalist enterprises face a constant urge to grow and expand—regardless of human or natural limits. This is why efforts to control capital (either through legislative initiatives or changing administrative policies or personnel) always prove quixotic: they all rest on the assumption that capital’s growth imperative is generated by the personifications of capital instead of by capital itself. It is not the system’s representatives that drives the growth imperative, but the growth imperative that drives the representatives. The New Deal was a clear expression of this: it aimed to redistribute greater amounts of wealth to workers and the poor as a way to pump up consumer demand as a way to achieve greater economic growth. In other words, government was used as a catalyst to spur greater capital accumulation—and it worked, at least by the time World War II came around. Not surprisingly, however, the New Deal was not aimed at protecting the environment (except when it came to fostering policies of soil conservation, but even there it was with the aim of increasing the productivity of agricultural labor). The GND is a form of ecological Keynesianism, in that it uses the power of the state to redistribute resources from the fossil fuel industry to renewable-energy industries. But it does not address how to slow down, defer, or eliminate capitalism’s growth imperative. On the contrary, it seeks to harness that imperative by using state power to encourage investments in ecological sustainable industries as against ones dominated by fossil fuels.

That may all seem well and good, but let us not forget that retrofitting every building in the U.S. to become energy efficient—as called for in the GND’s stated goals—will require an awful lot of steel, cement, and yes, petrochemical-based products. It is not so clear that this would not add to the global carbon imprint even as carbon emissions come down in other areas. Moreover, if companies can grow their businesses by earning higher profit rates with materials and technologies that are less environmentally beneficial than others, they are likely to do so. But it is not so obvious that we can blithely assume that the government can be used to block such tendencies, since the state is bound up with the logic of capital in a myriad of ways. An economic as well as political revolution will clearly be needed to wean society away from its capitalistic growth imperative. As Ashley Dawson has recently argued, the goals of the GND often seem at odds with the means that are singled out to achieve them: “Proposals for genuine ecological and social reconstruction, therefore, cannot simply substitute renewable energy for fossil fuels while leaving the current global system of spiraling production and consumption untouched. Instead, the growth based presuppositions of the New Deal and environmental Keynesianism must be challenged. What we really need, in other words, is a crash program to shrink those sectors of the economy that are environmentally destructive, while in tandem sectors that do no environmental damage are expanded.”[5] She adds, “At the end of the day, environmental Keynesianism is predicated on economic expansion; since new growth means that fresh resources need to be exploited, any environmental benefits of more efficient technology and a transition to renewable energy will ultimately be undermined, and the biocrisis will intensify.”

I should also add that market-based economies based on private ownership of goods and services are not the only ones with a built-in growth imperative. The same was true for statist “communist” regimes, such as the USSR and China, which placed the entire society under the control of the state—while engaging in some of the most egregious ecological destruction of any system in world history. Neither private capitalism nor state-capitalism (both of which are mainly focused on quantitative output, since both adhered to the law of value and surplus value) has succeeded in curbing capitalism’s inherent growth imperative. The world surely needs economic growth and development, but one of a radically different type than has defined modern industrial societies up to this point in time. Leaving this unaddressed poses some major problems when it comes to dealing with global warming. What is making it harder to address this issue at the present moment is the new found love affair many on the Left are currently experiencing with state-directed capital investment.

As the Indigenous Environmental Network recently stated in emphasizing “the fundamental need to challenge and transform the current dominant political and economic systems that are driving forest destruction, social injustice, and the climate crisis,” “The AOC-Markey platform risks being an exercise in futility and could actually allow for increased emissions and global warming. We demand that fossil fuels be kept underground and that the subsidies and tax breaks that keep the fossil fuel industry viable be shifted towards a clear, grassroots-based Just Transition.”[6]

So what would such a Just Transition look like? Time is short, and we need effective policies *now*—we can’t simply wait for capitalism to be overcome to begin promoting them. So what can be done in the short term to meet the goals of the GND and beyond? I would like to conclude here with a modest proposal along these lines.

As noted, the GND lays out the goal to reduce and ultimately eliminate net carbon emissions within 10 years, and that is all well and good. Building upon but taking the GND further, let’s envision this: Every company and business is required to reduce carbon-based products or CO<sup>2</sup> emissions within a specified amount of time. If they fail to do so, say after one year, they face a hefty government penalty. If they fail to meet their targets again, the ownership right of the business is denied to the employers and the government hands over control of it to the employees. Please note that this is *not* nationalization: the government itself does not take them over, as has occurred in many countries over the last 100 years. The employees take them over and democratically run the company as a cooperative enterprise. Of course, these worker-owned enterprises would also face mandatory restrictions on CO<sup>2</sup> emissions and use of carbon-based products. If they fail to meet them, the enterprise is hit with a hefty tax penalty. Since the employees now own the company and there is no separate management or ownership structure—which also means no shareholders of stocks that don’t actually work in the enterprise—the penalty can be paid only through a reduction in the workers’ paychecks. The employees now have a built-in incentive to meet the quotas, since otherwise they will earn less wages and benefits. And since every enterprise in the country is subject to the same stipulations, there is no way to evade the limits on the use of fossil fuel.

Moreover, since these are worker-owned enterprises, in which the proceeds circulate back to the employees, fetters are placed upon capital’s growth imperative. Workers might use a share of the proceeds to expand the enterprise, but it is just as likely that they will use it to shorten the workweek, provide services to workers, or simply give themselves a raise. Worker-controlled enterprises tend to dampen, at least initially, the profit-driven imperative of capitalist enterprises since they are based on a different imperative—meeting the human needs of its members. However, this becomes hard to sustain if such changes are restricted to a single country, since goods traded on the world market at a lower cost of production will tend to drive worker-owned enterprises out of business. For this reason Karl Marx never believed that socialism could exist in one country. Neither can a viable transition to a carbon-free economy. Since it is a *global* problem it ultimately needs a

global solution. Worker-owned cooperatives and enterprises are great ways to *begin* to get there, but they are not ends-in-themselves. The ultimate end—assuming we can mitigate climate change to the point of living long enough to get there—is the abolition of value production on a global level.

Nevertheless, on the national level, an effective transition from a carbon-based productive system could be achieved without relying exclusively on either privately owned or governmental agencies. The government provides the legal mechanism for transferring ownership of the enterprise from the capitalists to the workers, who have the motivation and incentive to care for the environment that the capitalists tend to lack. But the government is not in the driver's seat when it comes to controlling the overall process. The people themselves do so, through forms of association and organization they forge as members of civil society. A GND of *this* sort would transition from a carbon-reliant model of energy production and consumption to a sustainable one based on renewal energy by taking what *drives* the destruction of nature and natural resources—the growth imperative of the logic of capital. Kali Akuno of the Climate Justice Alliance and director of Cooperation Jackson, a Mississippi group that grew out of the Civil Rights Movement, has referred to this as “a solidarity economy anchored by a network of cooperatives and worker-owned, democratically self-managed enterprises.”[7]

My argument boils down to this: In order to save and preserve what we have in common, the earth, we must transition to a form of society that respects the commons. It is not about passively waiting for such a society to miraculously arise: the commons is already here, although hidden from view by the ideologies and structures of existing society. By fighting to reclaim the commons—which includes not only the land but also the social powers at our disposal to collectively organize our lives without recourse to hierarchical forms of domination—we can transition to a new society, at the same as saving the earth itself. It seems to me that working for this would be worth the effort.

[1] See “Draft Text for Proposed Addendum to House Rules for the 116<sup>th</sup> Congress of the United States”

[<https://docs.google.com/document/d/1jxUzp9SZ6-VB-4wSm8sselVMsqWZrSrYpYC9slHKLzo/edit#heading=h.z7x8pz4dydey>]

[2] “The Green New Deal’s Realism,” by Jedehiah Britton-Purdy, *The New York Times*, February 16, 2019, p. A21.

[3] Benjamin Selwyn, “The Agro-Food Complex and Climate Change: Veganism or a Green New Deal?” *The Bullet*, April 5, 2019.

[4] Jeremy Brecher, “The Green New Deal Can Work—Here’s How,” *The Bullet*, April 2, 2019.

[5] Ashley Dawson, “A Greener New Deal?,” *New Politics*, Vol. 17, No. 2, Winter 2019.

[6] Indigenous Environmental Network, “Talking Points on the AOC-Markey Green New Deal Resolution.”

[7] See Kali Akuno, “We Have to Make Sure the ‘Green New Deal’ Doesn’t Become Green Capitalism,” *Web Only*, December 12, 2018.