Organised Labour and the Green New Deal

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Any Green New Deal that promises to be genuinely transformative needs to understand the circumstances of the labour market within which it will operate. This is particularly the case when it comes to organised labour; in other words, trade unions. And these circumstances are characterised by decline. In 2017, the Resolution Foundation produced a devastating report about trade union membership in the UK, noting that in that year alone, numbers had fallen by a quarter of a million. It is a particularly eye-watering example of a general pattern of deterioration which began in the late 1970s, and shows little sign of abating. In the face of this deterioration, what we need is strong links between organised labour and the environmental movement.

The decline in British trade unionism is not only a problem for trade unions themselves as institutions. It also means that trade union density — the proportion of the overall workforce that is unionised — has reduced. This phenomenon has coincided with an...
explosion of income and wealth inequality and the stagnation of wages. Usually, collective gains made by trade union members are expanded to everybody working in that industry, whether they are union members or not. A reduction of trade union members harms all workers.

The decline of trade unions is both cause and symptom of the surge in precarious work and self-employment. Since the financial crisis of 2008, the number of workers classed as self-employed has surged. These workers frequently do not have access to occupational benefits like pensions, sick pay and holiday pay. They are not entitled to statutory benefits such as maternity and paternity pay and leave. According to the TUC, half of them earn below the minimum wage.

Trade unions were founded to organise workers in stable, long-term employment. The decline of this type of employment, and its replacement with jobs in the gig economy, have hammered the ability of trade unions to effectively organise. As giant bureaucratic structures, trade unions have struggled to adapt quickly to the pace and extent of change in the labour market.

Richard Wilkinson and Kate Pickett note that one of the consequences of the decline of trade unionism is the decline of the left as a political force in Britain. In other words, the pressures that have historically led to governments adopting policies which support workers and redistribute wealth have been eroded. The consequences of the erosion of the left in public life are evident in the UK economy: the selling of public assets, the explosion of the financial sector and the deregulation of trade and industry have all deteriorated conditions for workers, and have contributed to the increase of greenhouse gas emissions.

But what goes up must come down. As neoliberal capitalism has advanced, so have its consequences worsened. Following the financial crisis of 2008, we have now reached a tipping point where the outcomes of this type of political economy have become so severe that large numbers of people are rejecting it altogether, in favour of the far right and the radical left. This has meant that the leadership of political parties, like the Labour Party in the UK and the Democrats in the US, have shifted to the left. In these countries and others, the left now has a real chance to re-insert itself into public life, reshape the economy, and take power. The Green New Deal can be the instrument through which these political parties address the crisis in the labour market caused by the current status quo, and reprogramme our economy to work for the majority.

In order to make this a reality, organisers for a Green New Deal must recognise the sensitivities of trade unions in response to the decline of their movement. In the face of hostile governments, the right-wing press, suffocating anti-union legislation, and the erosion of the stable work trade unions rely on to organise, they are in survival mode and are defending what they have. Taking a defensive posture means it is all the more challenging for unions to embrace radical future-facing ideas if these ideas feel alien and uncertain. While there is no doubt that the leading figures of the British trade unions recognise the need for major economic change in order to reverse the decline of organised labour, they are vigilant to the danger of change being imposed upon the movement, as opposed to emanating from the movement. Remember that the overwhelming experience of British trade unions is that major economic changes have historically resulted in thousands of their members being thrown on the scrapheap. These are painful memories for trade unions, and their priority above all else is preventing it from happening again.

Green New Deal organisers must respond to this context, not simply because it is the progressive thing to do, but because the future of a Green New Deal relies on it. In the UK, the only political party which is positioned to both win an election and implement a Green New Deal is the Labour Party. This is also the party which receives huge amounts of financial, policy and staff support from the unions that represent fossil fuel workers. These unions also actively work with and organise hundreds of Labour MPs, and consult with the party over policy and its general election manifesto. It is no exaggeration to say that a Green New Deal that alienates these trade unions is unlikely to ever become Labour Party policy.

So what can be done? The following is a non-exhaustive selection of suggestions for how a Green New Deal could address the decline of the British labour movement, respond to the crisis created by the economic status quo, and build bridges between the trade unions and the environmental movement, leading to a stronger, more unified political left. All of these suggestions have historically commanded public support. The Green New Deal can act as a template to transform the wider economy in favour of workers, and bring about a fundamental rebalancing of power.

1— Nationalise the energy supply

Current Labour policy is to bring the National Grid back into public ownership whilst also setting up publicly-owned national and regional energy companies to compete with the Big Six privately-owned energy companies. In practice this means that the transmission of energy would be publicly owned but the distribution of energy to households, businesses and so on, would be done via a mix of public and private companies.

A number of unions, as part of the Trade Unions for Energy Democracy initiative, advocate bringing the entire energy supply into public ownership. This would entail nationalising the Big Six energy companies, and merging them into one publicly-owned energy company. The result would be that both energy transmission and distribution would be in public control.

Creating a single publicly-owned energy company would mean energy unions would negotiate only with one body, meaning winning concessions on workplace benefits and wage increase would be easier, and collective bargaining could be the foundation of industrial relations. The company itself would be able to take strategic decisions which benefit the country, rather than satisfying individual shareholders. This could mean the raising of industry standards, wages, and improving benefits to workers. This energy company could then act as the minimum standard for future green jobs, embedding the presence of trade unions from the beginning.

Having a single publicly-owned energy company that enables strategic planning would of course make it much easier for the UK to eliminate its carbon emissions. Any excess profits generated could be reinvested into the company to ensure further reductions of emissions, alongside cheaper and more efficient energy for the public. This could go hand-in-hand with a national, retrofitting, green energy conversion and insulation programme. All of these measures would, in turn, lead to a reduction of fuel poverty and winter deaths.

A publicly-owned energy company with a remit to work for social good could make the elimination of carbon emissions, the reduction of fuel poverty, and the improvement of workers’ conditions its three principal aims.

2— Union representation from the outset

Instead of selling the benefits of a Green New Deal to trade unions, organisers should ask unions themselves to design a just transition to renewable energy. Trade unions are already writing policy on issues such as transportation, electrification and the energy mix. Many unions employ policy officers and economists. In conjunction with workers in the energy sector, trade unions could design a just transition that both lays the groundwork for future green jobs, ensures trade union density increases, and finds good, unionised jobs for those currently employed in the fossil fuel industry.

Once the transition is underway, a Green New Deal must back existing Labour policy of putting workers on boards, including a third of the board comprising of workers for companies with more than 250 staff members. This initiative could begin from...
Incorporating a 4 day week into the Green New Deal is a way of fundamentally changing the relationship between labour and capital, between individuals and their communities, and between men and women. Or to use labour movement parlance, it is a way of ensuring that workers can have both bread and roses.

The workers appearing on these boards must be selected and trained via trade unions, rather than independently of them. This would guard against employers using workers on boards as a PR exercise or to undermine the existing trade union presence, and also ensure the workers in question were backed by their organised colleagues, and therefore less susceptible to pressure. According to a 2017 paper by the Centre for Labour and Social Studies (Class), workers on boards are successful in improving terms and conditions whilst curbing excessive remuneration for senior management. Workers on boards interviewed for this paper argued that their positions would be essentially “meaningless” without the support of trade unions.

Workers on boards require some degree of training to prepare them for the responsibilities of the role. A stipulation of the Green New Deal must be that this training involves political education around basic climate science, the scale of the climate emergency, and the green economy, so that these workers are taking decisions with climate impacts at the forefront.

4— Conclusion

Though both part of the progressive movement, green activists and trade unionists have historically found themselves in something of a standoff; each feeling misunderstood and marginalised by the other. While it’s true that these two parts of the progressive movement don’t always agree, the fact is that there are shared aims and understanding on the vast majority of progressive issues. The select demands outlined above are a sound basis for green activists and trade unionists to form a mutual relationship of trust and respect. If Green New Deal organisers are willing to move forward with empathy and openness towards trade unions, they may soon find themselves with a very powerful ally; one that is crucial in building a broad-based and formidable progressive movement that is able to transform society and the economy in the interests of the majority.
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