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# Trade unions and the green transformation

## A strategic dilemma

Stavis and Felli (2015) differentiate between labour unions in terms of political strategy, terming different organisational styles as either 'business' or 'social' unionism. 'Business unionism' limits itself to getting a fair share out of a growing economy while leaving broader questions of political economy and equity to firms and states. 'Social unionism', on the other hand, believes that unions ought to have a say in the organisation of the (political) economy, both because it shapes the material reality of workers' lives and because these unions see themselves as collective representation organs for engaged citizens.

In their traditional roles, many trade unions have aimed to manage the effects of economic changes driven by the profit-seeking motives of capital. Often, they have gone as far as questioning the legitimacy of such changes, and at least one strategy to shield workers from their more negative consequences has been that of resisting or opposing change altogether.

However, changes linked to decarbonisation presents a novel challenge for these traditional strategies. After years of debate, decarbonisation is now best characterised as a shared objective in the interest of humanity. At the same time, meeting this objective poses significant challenges to the world of work, as the workplace-level effects of this transition – such as employment reduction, job transitions, higher flexibility and work pressure – are similar to those which unions normally fight against when defending their members' interests. A further complication is that, in most cases, changing dynamics in the world of work are under the simultaneous influence of all other major megatrends: decarbonisation, certainly, but also technological change and globalisation.

There is a visible tension between the main responsibility of unions in managing the consequences of change and their role as agents of change. By raising their climate policy ambition, and with it also the pressures and demands on work organisation, they are invariably and consequentially rendering their interest representation role more difficult. This conflict often manifests itself as a growing tension between plant-level action and union action at a higher level. Unions at national or supranational level have been promoting the concept of just transition in the context of climate change for a while now. But unions on the ground – at local, regional, sectoral or company level – are confronted with its implementation in real-life work relationship practices. National union centres and their umbrella organisations are, by and large, organisations set up to represent workers before government and intergovernmental organisations

on matters relating to broad economic, industrial and social policy, and environmental issues, whereas the dealings of industry- or sector-wide union structures with employers typically pertain to wages, working conditions, collective bargaining, and union coordination. The former category of union organisation thus typically engages more with broader societal issues, while the latter is more narrowly focused on how the membership is affected by the immediate consequences of the transformation. In an ideal system of internal industrial democracy, these two levels would be able to reconcile their different roles in ways that would strengthen union action across the board. In reality, however, it is often the case that such a reconciliation of interests is rendered more challenging by the reluctance of governments and employers to provide adequately funded and sufficiently targeted policies that offer a fair mutualisation of the risks pertaining to the transition to a green economy. It is thus often the case that the inadequacies of the broader policy framework end up being internalised within the union movement, generating intra-systemic tensions.

## Trade unions on the European Green Deal

The tension between trade union strategies described above has also been recognisable in various trade unions' positions on the European Green Deal (EGD) and on the climate policy objectives attached to it. As summarised in the ETUI Green New Deal newsletter (ETUI 2020), while the ETUC and the European Federation of Public Service Unions (EPSU) openly declared their support for an ambitious EU climate policy, IndustriALL and IG Metall were more cautious and expressed some reservations.

Ahead of the announcement of the EGD, the ETUC pointed to the urgent need for ambitious climate policies that should be inclusive and supportive of the most vulnerable regions, sectors and workers. The position paper rightly emphasised that a concrete just transition strategy which aligns with the EU's climate policy aspirations is necessary.

In a statement on the industrial strategy document of the Commission, the ETUC stressed the importance of a just transition concept that offers prospects to those regions, sectors and workers that will be most affected, and that guarantees that no one is left behind. The confederation also called for a carbon border adjustment mechanism to protect European jobs and industry from unfair competition or carbon leakage.



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Luc Triangle,  
General Secretary of  
IndustiAll

Ahead of the Climate Law and the EU Climate Pact, the ETUC expressed its support for the upward revision of the 2030 greenhouse gas emission reduction target, from 40% to 55% (compared to 1990 levels), as well as for the longer-term objective of reaching net-zero GHG emissions by 2050. However, it again stressed that trade union support for a binding climate law is conditional on a well-funded just transition mechanism. In order to have sufficient funding to fight climate change, the ETUC urged the EU Council to increase the EU budget to 1.3% of GNI and to pursue further progress on a fairer taxation system.

EPSU also expressed its support for the 2030 and 2050 targets but it emphasised that the European Green Deal should steer away from market-based solutions. The federation formulated several key demands, including a significant increase in public investment, the promotion of public ownership of utilities, an ambitious just transition strategy, and universal and affordable access to basic services and common goods.

For its part, IndustiAll stressed that in order to secure the support of workers in industry, the EGD should be made 'social'. Europe's industry union warned that increasing the carbon price within the ETS might not be the silver bullet that will trigger transformative change, partly because this would neglect the specificities of the different industrial sectors regarding technological readiness and the cost of low-carbon options. Regional disparities represent another risk for the success of the EGD.

On the Just Transition Mechanism, IndustiAll General Secretary Luc Triangle stressed that for it to be successful, it 'must be enshrined in a much broader investment strategy that channels billions of euro into all regions that struggle with structural challenges'. He added that the planned amount available from the EU budget is much too small 'to trigger the transformative changes that those regions need to become climate-neutral without becoming economic deserts at the same time'.

According to IndustiAll, the new EU industrial strategy must be implemented for workers and with workers. Triangle warned that 'decarbonising sectors such as energy-intensive or automotive industries will not happen with a target-driven and a market-driven approach. The EU and its Member States must create the conditions for the targets to become reachable.'

Meanwhile, Europe's biggest industrial union, the German IG Metall, expressed its support for the objective of climate neutrality set out in the EGD, but stressed that the targets must be concrete and achievable. The union also made the point that it would not support a disruptive transformation carried out on the backs of workers, stating that the automobile industry was key for the economy. The union agreed with the raising of the CO<sub>2</sub> price, but stressed that the idea can only work if people are offered practicable and socially acceptable alternatives.