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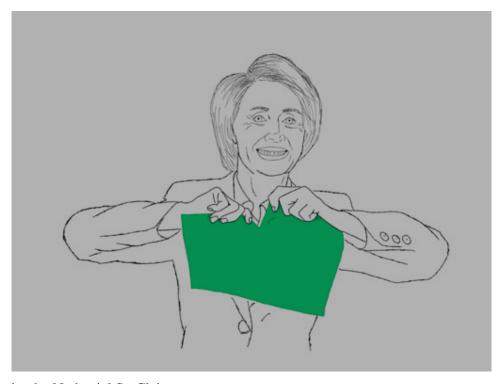
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FEBRUARY 1, 2019

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## Democrats Killed the Green New Deal



Drawing by Nathaniel St. Clair

Environmental activists received a <u>reality check</u> when newly empowered Democrats in the U.S. House of Representatives pushed aside demands for an environmental economic transition program— a <u>Green New Deal</u>, in favor of reviving a toothless committee to 'study' the problem. A transition program is needed to mitigate the economic dislocations that will result from resolving the multiple environmental crises currently underway.

The move by Democrats virtually guarantees that the political support needed to move such a transition forward will be undermined by the day-to-day needs of the economically precarious majority. Recent evidence in this direction comes from the French gilets jaunes (yellow vests) whose rebellion allegedly began in response to an environmental gasoline tax. The rebellion was opportunistically framed as against environmental resolution rather than who pays for it.

Four decades of neoliberal economic policies have exacerbated class tensions as well as environmental destruction leaving a large 'precariat' that neither can, nor should, pay for environmental resolution. Given the distribution of the spoils, it is more than reasonable to force the cleanup costs on those who (1) caused the problem and (2) benefited from its creation. In this sense, a government funded program of resolution is the best the rich could hope for.

Framed as economic stimulus (a 'New Deal') that funds a transition to less immediately destructive economic production, any such program could be shifted toward mitigating economic calamity for hundreds of millions of people as the scale of the retrenchment needed to avoid full-on environmental crisis becomes evident. 'Green growth' is either cover for planned degrowth or evidence that environmental resolution has been subverted. By creating Federal resources to fund the program, both the oligarchs and the broad precariat could in theory benefit from environmental resolution without having to bear the costs. But the oligarchs and their servants in government understand that real environmental resolution will mean the end of industrialism and with it, the source of their power. This, rather than short and intermediate term costs, explains establishment resistance to effective environmental programs.

Existing economic relations are based on producing goods that are indissociable from their environmental harms. 'Internalizing' these harms as costs, either through mitigation or foregoing production, would bring the struggle over who bears them to the fore. Because Federal expenditures would relieve oligarchs of the cost of doing so, the real battle is over the future of Western political economy. From the inside, environmental consequences are an afterthought.

Given recent history, the most likely outcome of such a program would be Obamacare for the environment, an amalgam of giveaways to corporate interests that produces a modestto-ambiguous result for its intended beneficiaries while further empowering corporations to control future outcomes. The rush by establishment powers to kill it supports the thesis that oligarchs and corporate interests are willing to forego milking the polity in the present to perpetuate predatory and exploitative economic relations (capitalism) going forward.

However, favoring the long game in this case means either

- (1) leaving impending environmental calamity unaddressed,
- (2) having oligarchs and corporations determine the goals of a Green New Deal as well as the means of achieving them in which case: see (1) above, or
- (3) social upheaval that overturns existing political relationships, but with unknown outcomes going forward. Given the evidence to date, it appears that only (3) holds promise for achieving needed environmental outcomes.

The success of environmental resolution will depend on its breadth. When global warming is considered in association with the sixth mass extinction, oceanic dead zones, depleted fisheries and increasingly toxic air and water, it is the process of industrialization that produces a unity through causation. Together they illustrate a fundamental flaw in industrial logic: its full consequences are only known in retrospect— after its harms have aggregated.

Addressing the preponderance of environmental destruction at once is needed to preclude sequential solutions that leave broad causal mechanisms in place. Industrialism has a demonstrated record of producing unexpected environmental calamities, e.g. global warming and mass extinction. Known toxic products and processes have been serially replaced with unknown toxic products and processes until their toxicity becomes known.

Since the 1970s ad hoc reforms have reduced individual toxicities, e.g. auto emissions, while perpetuating their overall growth. In contrast, in focused analyses like the recent IPCC report on climate change, reduction in the absolute, rather than relative, levels of greenhouse gas emissions is needed to prevent catastrophic consequences. Ad hoc solutions proceed from relative logic. The window for tweaks was closed several decades ago.

Given the rapid spread of industrialism in recent decades, net retrenchment means a radical reorientation of seemingly unstoppable forces. However, regularly recurring crises of capitalism like 2006 – 2017 offer an insertion point where (1) well-conceived and (2) already existing programs could replace guarantees and bailouts for the rich and powerful to decisively reorient the trajectory of Western political economy.

Environmental 'solutions' designed by economists like <u>cap-and-trade</u> and <u>carbon taxes</u> are both inadequate and easily gamed. Cap-and-trade has existed in Europe for decades as an insider game for financial traders. Carbon taxes require knowledge of environmental costs

that will only be known decades from now to be adequately priced. And perennial assurances of robust enforcement are undermined by corporate control over enforcement mechanisms.

The move by House Democrats to kill the Green New Deal, while thoroughly predictable, illustrates this political conundrum at work. The <u>rich control</u> the American political system and they are rich in large measure because they have been able to force the environmental consequences of industrial production onto everyone but themselves. Environmental resolution is about rebalancing social power. Environmental destruction is in this sense an aspect of class warfare.

A program of environmental resolution threatens this system in two ways. In the first, were the rich forced to bear the costs of production including pollution, they would no longer be rich. In the second, if industrial products can't be cleanly produced (most can't), then their production should be ended. Either way, any effective program of environmental resolution will produce a redistribution of economic power. Lest this read like class warfare, 'we,' the breadth of humanity, neither asked for these relations nor are we their intended beneficiaries.

This explains in part why the Green New Deal as it was originally proposed (2<sup>nd</sup>link from top) was cleverly conceived and why political functionaries of both Parties will oppose it with all their might. Dumping environmental harms onto those who lack the social power to resist them is both the source of concentrated economic power and its expression. Ending this power, as well as the wealth that accrues from it, is to redistribute it downward.

Not useful here is the myth that capitalism is necessary to filling basic human needs. The neoliberal push to open new markets has been driven by capitalists and their agents, not by those on whom these markets are being imposed. For instance, it was the Chinese political leadership that decided to build an export driven economy in recent decades, not the citizenry. Development of an 'internal' consumer economy in China will likewise be imposed from above.

Of relevance is that the instantiated logic that 'we,' the breadth of humanity, need capitalism is more accurately stated as: capitalists need us. Understanding of the social direction here, that capitalists create demand for their products—they don't respond to it, was <u>relatively mainstream</u> in the 1960s. The Keynesian practice of demand management was subsequently used to conflate manufactured dependencies with the neoliberal fantasy of self-organized economies.

The 'Green Growth' crowd proceeds from this same logic. Unemployment is socially destructive because of manufactured dependencies that produced a cascade of negative economic consequences when interrupted. These dependencies are functionally arbitrary outside of the role they play in capitalist social relations. The means to provide for the human needs of the dispossessed has for centuries now been nestled in the pockets of the rich.

Green Growth naturalizes these dependencies to pose them as the only road to economic salvation for most people. Again, consumer societies are the result of state planning in the service of the rich and powerful, not economic self-organization as capitalist fantasy poses it. The resources needed to manage a transition away from them can come either from the rich or the state. The New Deal saw the state pay. A Green New Deal could as well.

The insight that the imposition of market relations around the globe hasn't resulted in an upsurge in democracy illustrates this contorted logic at work. How democratic is it to impose market relations on people? Trade deals like NAFTA and the TPP (Trans-Pacific Partnership) were conceived by oligarchs, negotiated by corporate agents and they are imposed using state power. They are antithetical to any meaningful concept of democracy. So, most citizens want environmental resolution, economic justice and the basic services of civil society like education, health care and retirement security. The state is an available vehicle for providing these through the power of the Federal purse. Federal expenditures would mean that resources would not have to be taken from those who have them— the rich. And yet the rich and the 'leadership' of the American political establishment are shouting: No! to a Green New Deal. This refusal illustrates the stakes.

Back in the realm of establishment politics, the ability to collect political 'donations' determines standing. Structurally, this politics mirrors the distribution of economic power. The hierarchy in both Parties is determined through the quantum of legal bribes accumulated. This ties success in politics to the existing economic order. If political 'investment' were upended by forcing the cost of environmental resolution back onto producers, the political hierarchy that mirrors it would be upended.

Hence, the first order of business for the Democratic Party leadership upon its return from years in the political wilderness was to lay the Green New Deal to rest. The time-tested strategy for doing so was to provide lip service in support of environmental resolution while using procedural means such as 'PAYGO' to subvert programs that do so. Through PAYGO, 'insurgent' Democrats would be forced to cut spending (inflict economic pain on the powerless) elsewhere to fund environmental resolution.

(<u>Here</u> Matt Stoller tries to put a benign face on PAYGO before reluctantly concluding that the Democratic leadership is more likely than not acting in bad faith with the measure.)

The fiscal mechanisms that would allow the Federal government to pay for a Green New Deal are explained <a href="https://example.com/here">here</a>. With MMT (Modern Monetary Theory) becoming the received wisdom in commenting circles, if not yet the more poorly lit crevasses and highway rest stops of official power, claims that there are no funds for environmental resolution are losing their plausibility. This is the likely rationale for recent assertions that raising marginal tax rates on the rich could pay for the program.

The larger issue remains that corporate profits and the wealth held by oligarchs are the wages of environmental destruction. Depending on how these are calculated, the net benefit of three centuries of capitalist production might easily have a giant minus sign in front of it. In this light, the insurgent Democrats' offer to have the Federal government fund environmental resolution seems incredibly generous. It is the potential for upending existing power relations that makes it contentious.

The American political establishment has no intention of moving a real program of environmental resolution forward. Doing so would end its hold on power. My suggestion is to organize citizen-experts to craft a program outside of official channels in anticipation of another capitalist crisis. A combination of political insistence and official incapacitation could yield the political moment needed to insert the program into the frame of the state ahead of the capitalist response.