GREEN TRANSITION – TAKEAWAYS FROM THE NORDICS

Jan-Erik Støstad, Secretary General of SAMAK, the Cooperation Committee for the Social democratic parties and trade unions in the Nordics and Vice President of FEPS, Foundation for European Progressive Studies

To really get moving on climate change we need to step up our exchange of ideas and actions. The Nordic countries must learn more from the rest of Europe and vice versa. As a start to this conversation, I'd like to spell out the up-to-date Social democratic narrative for the Nordic green transition. The report "A Just Green Transition – Nordic initiatives for inspiration and discussion", launched by the Danish prime minister Mette Frederiksen and now translated to English, provides a closer view. [LINK <u>https://samak.info/wp-content/uploads/2021/01/Nordic-Climate-Report-SAMAK-A-Just-Green-Transition-FINAL-English-version-151021.pdf</u>].

Workers as climate agents

While the green transition is taking hold everywhere, what distinguishes the Nordic progressive way is how we put several specifics of the Nordic model to work. [LINK <u>https://samak.info/wp-</u>

content/uploads/2016/09/THE_NORDIC_MODEL_FOR_DUMMIES.pdf]

The most outstanding feature is the Nordics' strong emphasis and reliance on both the individual workers and the trade unions to force the green transition.

Our workers are increasingly expected to be a part of the green solution; not the problem or a stumbling block. In other words, Nordic workers are expected to be, and many already perceive themselves as such, agents for climate action. By combining this with an optimistic outlook on technology, fearing old technology not new, they create and safeguard their future jobs by winning the race to new green solutions. The employees, while cooperating with the management, have "the shoes on", and more easily see the opportunities for change.

To take an example, Norwegian media reported the 27 year-old mechanic Remi Haugen played a major role in converting a Caterpillar 323F excavator from diesel to battery powered. A world first in the 25 tons class, achieving this without his worker participation would have been, if not impossible, at least more arduous.

Social democratic policies ensure proactive workers

Contrary to some voices who argue that climate change transcends traditional political categories, the Nordic labour movement views climate largely as an ideological left-right and class issue. This is so even though climate change is an existential threat different from all other challenges. However, the market alone obviously cannot solve it. The government and collective action, with signalling norms, nudges, regulation, industrial policies, taxes and redistribution, must have the overall responsibility and initiate, support and when necessary enact solutions.

This may be illustrated by how society tackles the inevitable restructuring embodied in the green transition. Many will lose their job, many more will have it converted. This creates legitimate anxiety. To get workers and trade unions on board, two prerequisites are vital. First, by tripartite cooperation, economic policy must ensure full employment so that laid off people soon find another job. Second, the welfare system, especially employment services, retraining programs and unemployment benefits, must be robust enough to encourage risk taking and hence green innovation.

Just – in practice

Like other progressives Nordic Social democrats see no other path than making the green transition just. But talk is cheap. Moving beyond this agreed-upon goal and rhetorics, debates are currently running high all over the Nordics as to what this should mean in practice. Since specific compensating schemes are not always feasible, it is increasingly recognised that an (even more) active general redistribution policy is necessary to achieve the broad public support needed for effective but sometimes unfair climate measures. This applies for instance to the introduction of a carbon tax, which without being accompanied by redistribution measures can have socially regressive outcomes.

As the political landscape in the Nordics has shifted leftwards, both the two prerequisits above – full employment and welfare – as well as a tougher equalising policy stand a good chance to be implemented. Social democratic prime ministers now govern Denmark, Finland, Norway and Sweden, the whole Nordics except Iceland.

Building cooperative green institutions

Taking advantage of the traditionally strong tripartite cooperation, the Nordic green answer is also institutional. Employees are important, but we will not succeed in the green transition without the employers joining the fight. For instance, Denmark has established 13 so-called climate partnerships, covering the main economic sectors. In Sweden, cooperation is formalized in the Fossil-free Sweden platform. Long time experience, from issues ranging from pension schemes to the fight against social dumping, leads us to expect that such cooperative efforts in the Nordics will bring visible results.

Climate and Nature: two sides of the same coin

Through the SAMAK report, the Nordic labour movement has also taken an important step by declaring our common challenge is not only a climate crisis, but a climate and nature crisis, to be solved in tandem. Climate and nature as existential issues have many of the same underlying causes. They affect each other, as when deforestation weakens CO2 absorption or when global warming spurs forest fires. And, of course, they both compromise human living conditions, with their harms both getting graver by the year.

Turning the argument around, this implies that many climate measures help nature, and many measures improving nature likewise help combat climate change. This brings hope.

So, in addition to the well-known COP26 in Glasgow, to obtain tangible results from COP15 on biodiversity in Kunming, China next May is essential.

So much is happening – ideas for the taking

The green transition is attaining steam in the Nordics. Social democratic politicians and trade unionists put the Nordic model to work, and our minds are set on going from words to action. In Denmark and Norway, where Social democrats hold the climate and environmental minister post, two pronounced political heavyweights, Dan Jørgensen and Espen Barth Eide, have been assigned the job.

Drawing operational lessons from our general Nordic model approach may not be that easy, but perhaps the features highlighted above, such as real worker involvement, may have relevance for other European social models as well.

However, progressives in Europe might draw immediate inspiration from concrete climate and nature actions, which emerge throughout the Nordics. Some of the measures highlighted in the report are the "Energy islands" initiated in Denmark, the phasing out of peat in Finland, the afforestation and reforestation in Iceland, the vast Carbon Capture and Storage (CCS) "Northern Lights" project under the North Sea off the Norwegian coast, and development of fossil free steel in Sweden.

And to my Nordic friends: Let's look more to the east, west and south for new green ideas and efforts. So much is happening, all over Europe.

Let's get the conversation going.