

Public Investment and Coordinated industrial Policy for Net Zero

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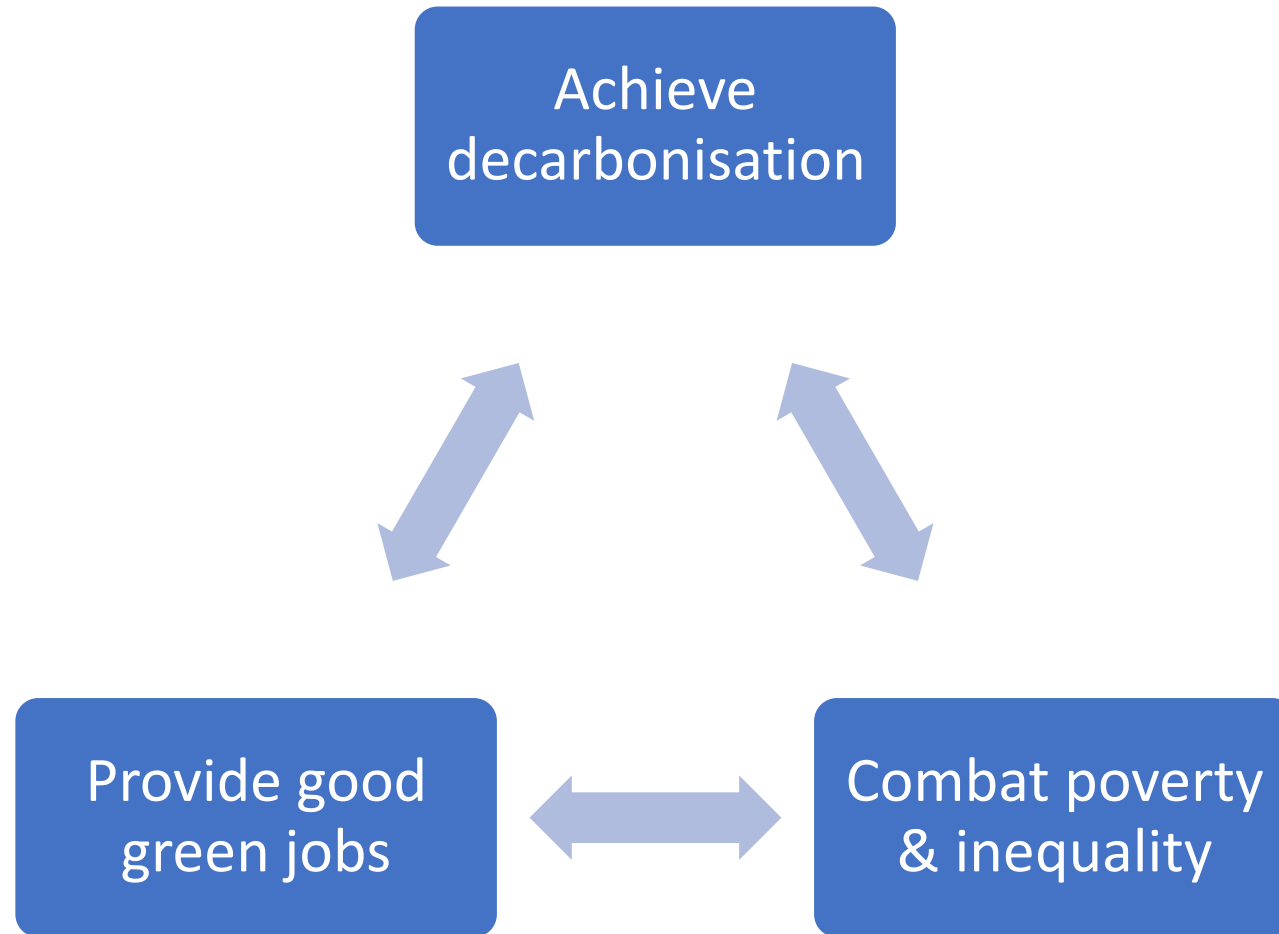
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CENTRE FOR THE STUDY OF
EXISTENTIAL RISK

Why focus on public investment and industrial policy?

*Sometimes known as “Green New Deal”



Key planks of a Green New Deal



Large-scale public investment

- Targeted government support for specific industries
- Technology R&D
 - Hard-to-decarbonize sectors
- Infrastructure investment
 - Energy, water, public transit, decarbonising buildings, resilience...
- E.g. Korea Green New Deal:
 - Renewable energy infrastructure
 - Insulating public buildings
 - Smart grid
 - Large-scale R&D and demonstration projects for green energy

Ownership

- Longer timeframes for return
- Greater role for public asset ownership (lower rates of return)
- Democratic economic control

Universal basic services

- Public services have lower environmental impact than private services
- More equal societies = lower average emissions per capita
- UBS – housing, healthcare, water, electricity, public transport...

Job guarantee

- Low-carbon jobs for all
- Helping combat youth unemployment
- Including care jobs – gender dimension!

- E.g. United States – Civilian Climate Corps
 - 100,000+ jobs conserving and restoring public lands and waters, etc
 - Living wage & benefits

Global investment and support

- What about countries lacking fiscal space?
- Reform global investment and trade regimes to promote more sustainable, democratic economies

Stop investment in problem sectors

- IEA 2021: No room for new coal, oil gas infrastructure
- What to do?
 - Stop fossil fuel subsidies
 - Stop public finance to coal, oil and gas
 - End new licensing of coal oil and gas

Thank you!