



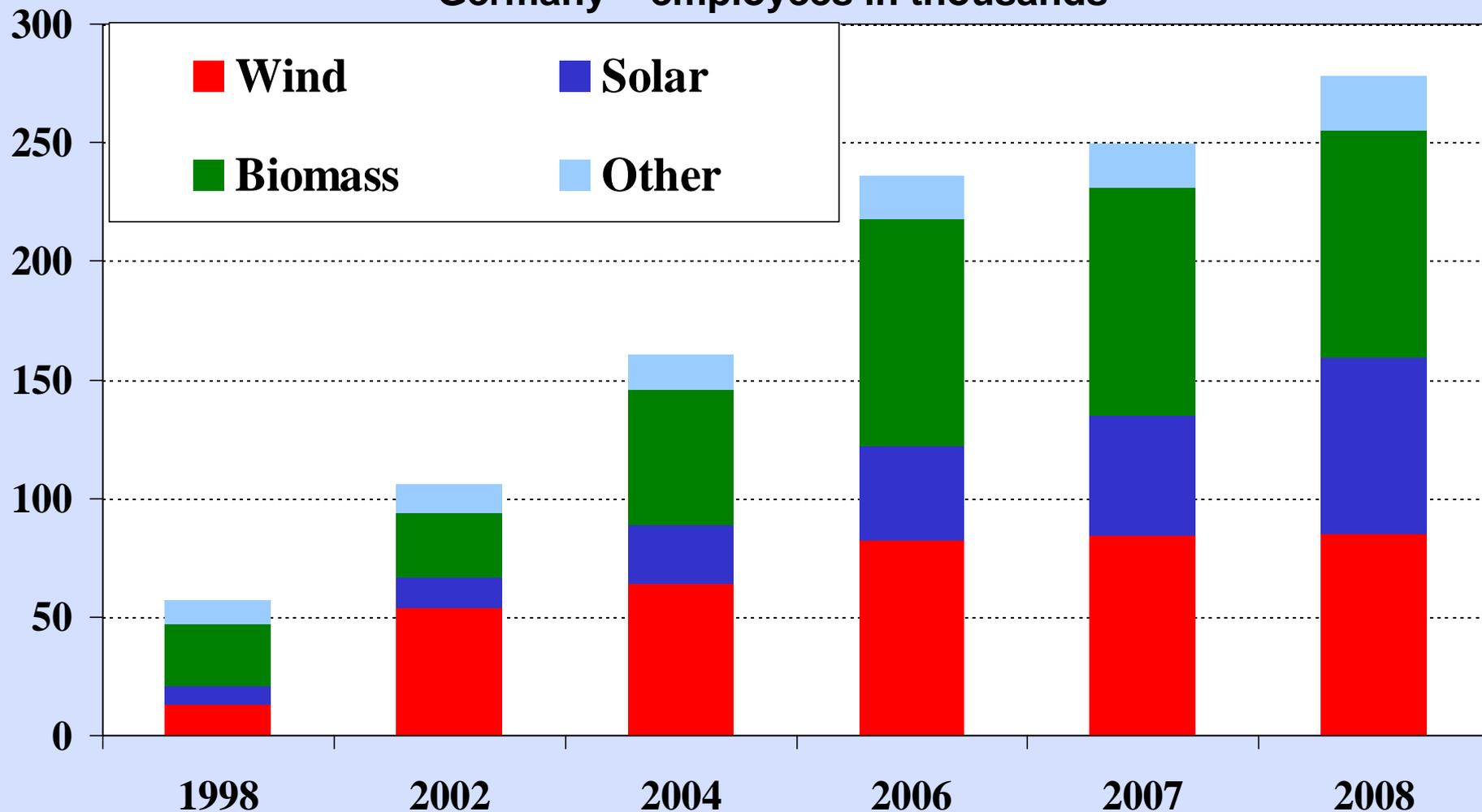
Green jobs and growth: myth or reality?

Kristian Uppenberg
Economics Department, EIB

Presentation at *Forum One People, One Planet*
Louvain-La-Neuve , 29 August 2011

Gross employment creation in Germany: from wind, to biomass, to solar

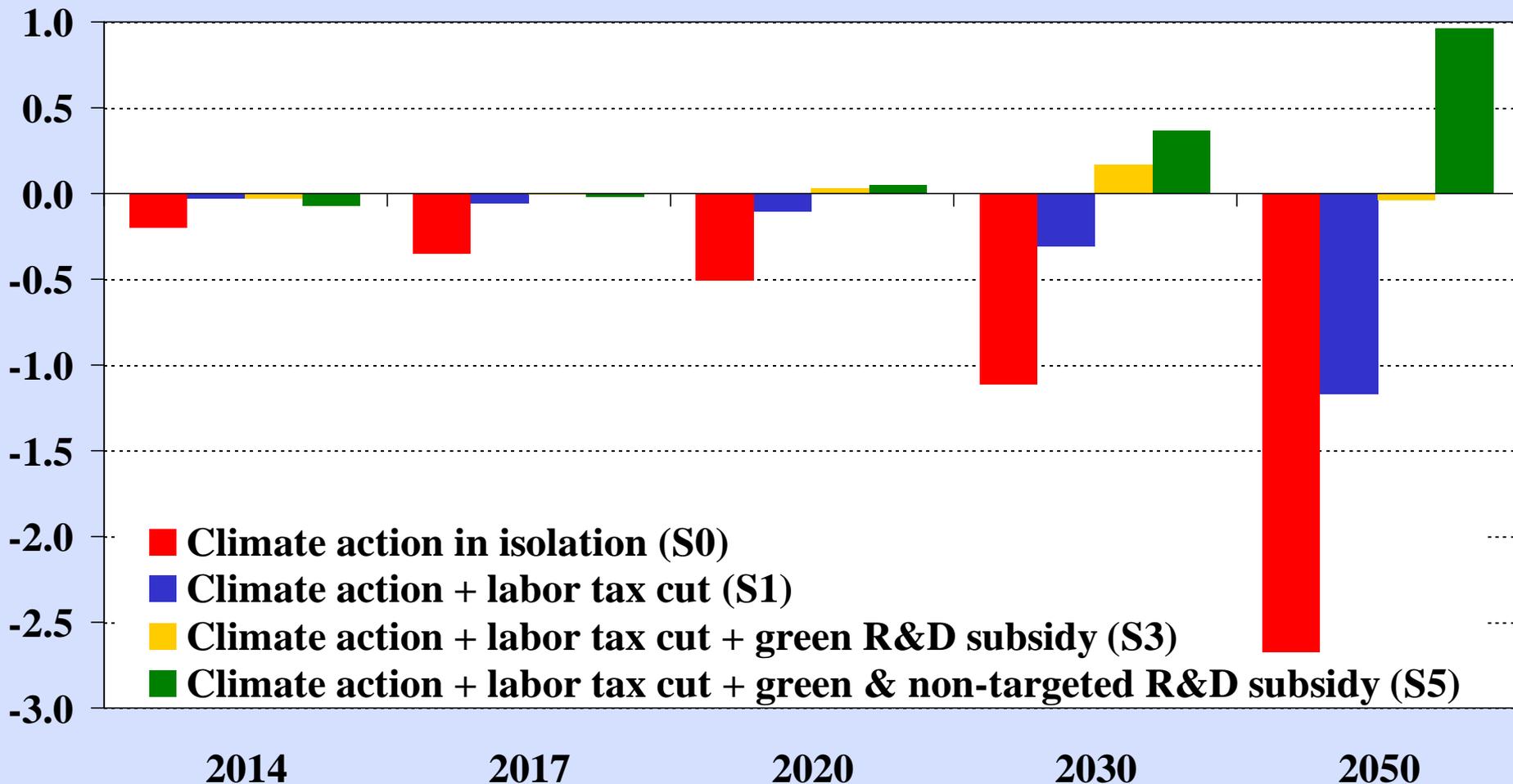
Germany – employees in thousands



Source: DIW – Wochenbericht 10/2010 and Fondel et al. (2009)

Climate action cuts growth, but using carbon revenue for R&D offsets this

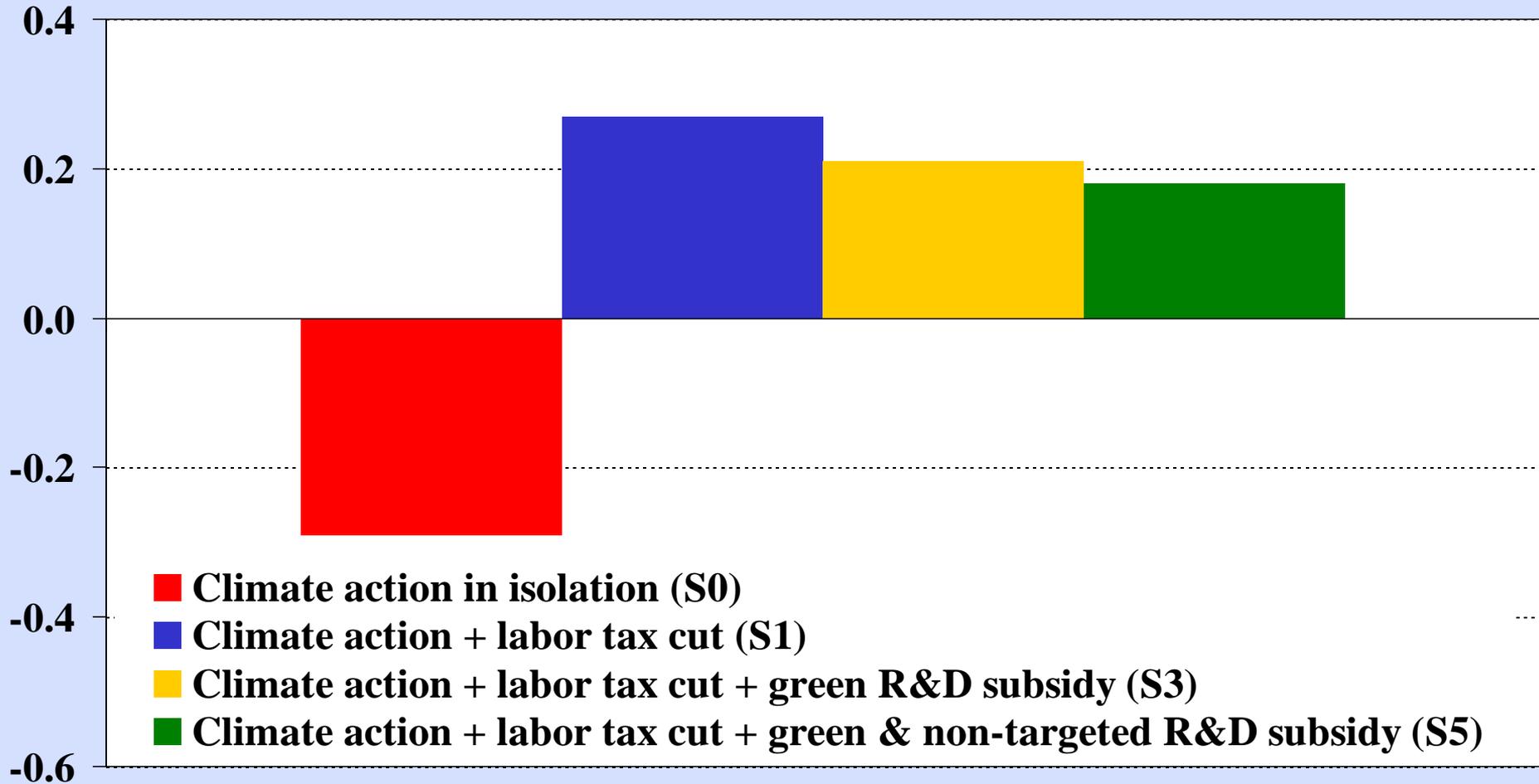
Change in EU 27 GDP (in %) relative to baseline
(baseline = ETS cap constant at 2009 level)



Source: EIB presentation based on Conte et al. (2010)

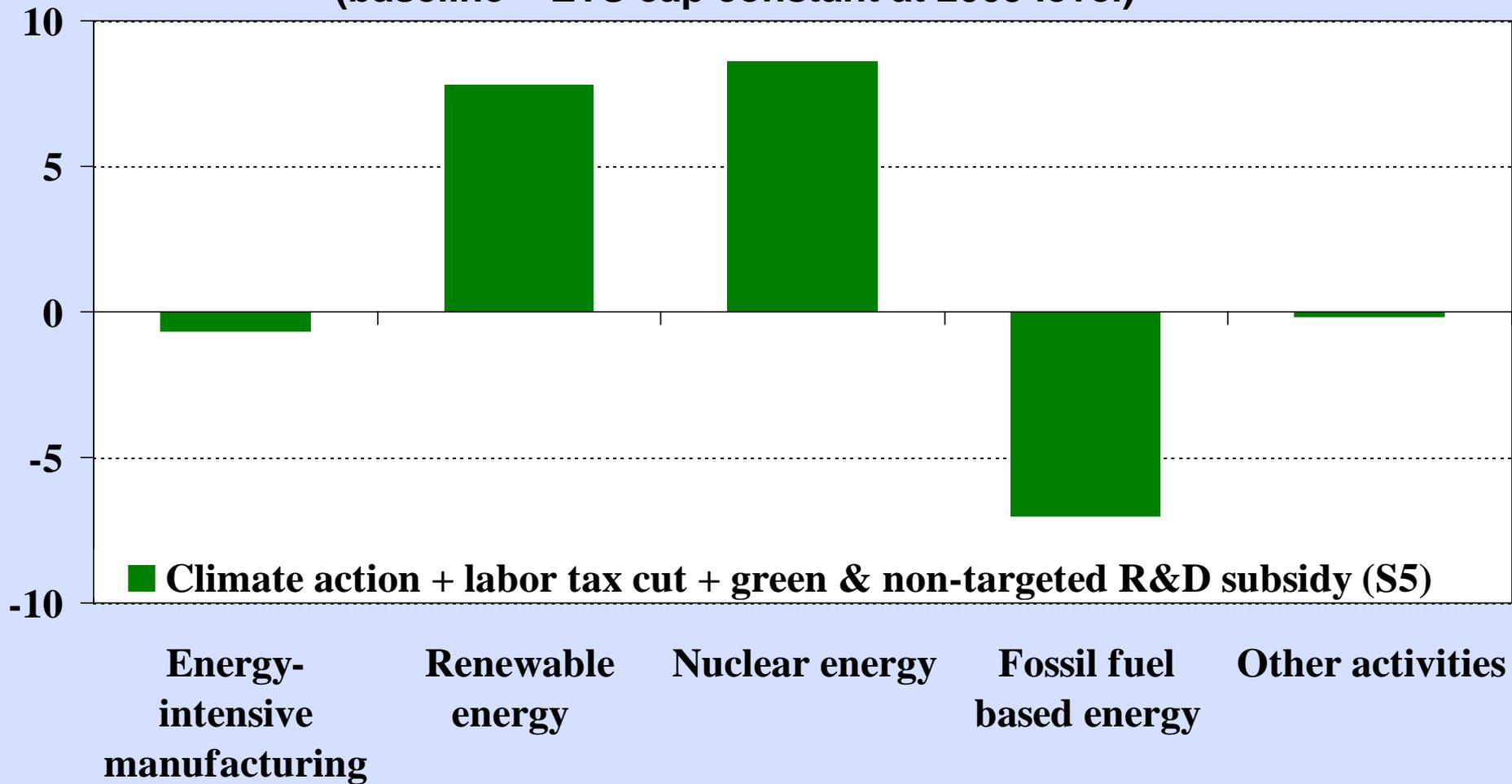
Small total employment effect regardless of how carbon revenue are used ...

Change in EU 27 EMPLOYMENT in 2020 (in %) relative to baseline
(baseline = ETS cap constant at 2009 level)



... but considerable shift in employment across sectors

Change in EU 27 EMPLOYMENT in 2020 by sector (in %) relative to baseline
(baseline = ETS cap constant at 2009 level)



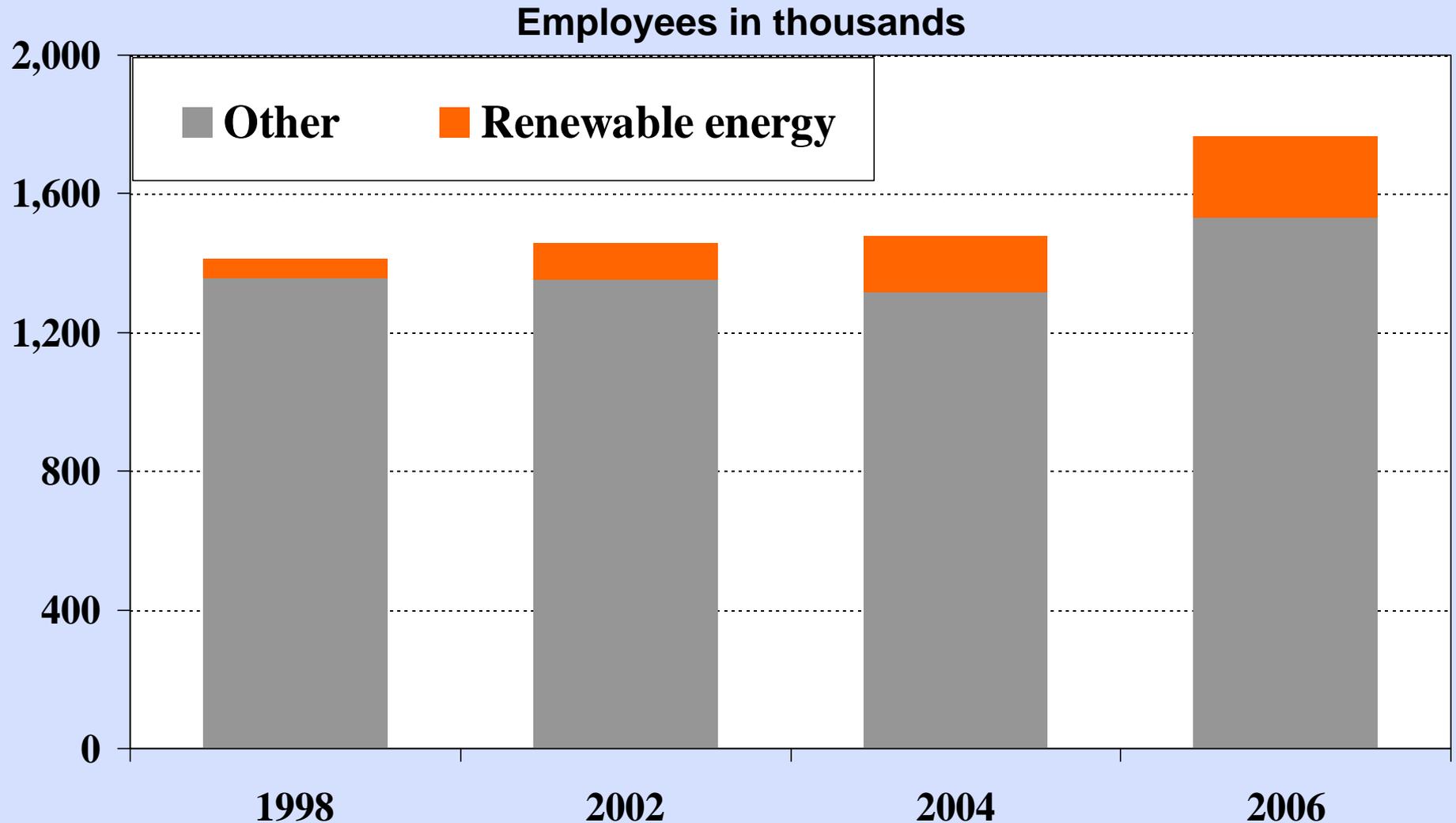


Concluding remarks

- It should not matter whether climate action fosters growth and employment
- The employment argument is probably used to make costly climate action more palatable

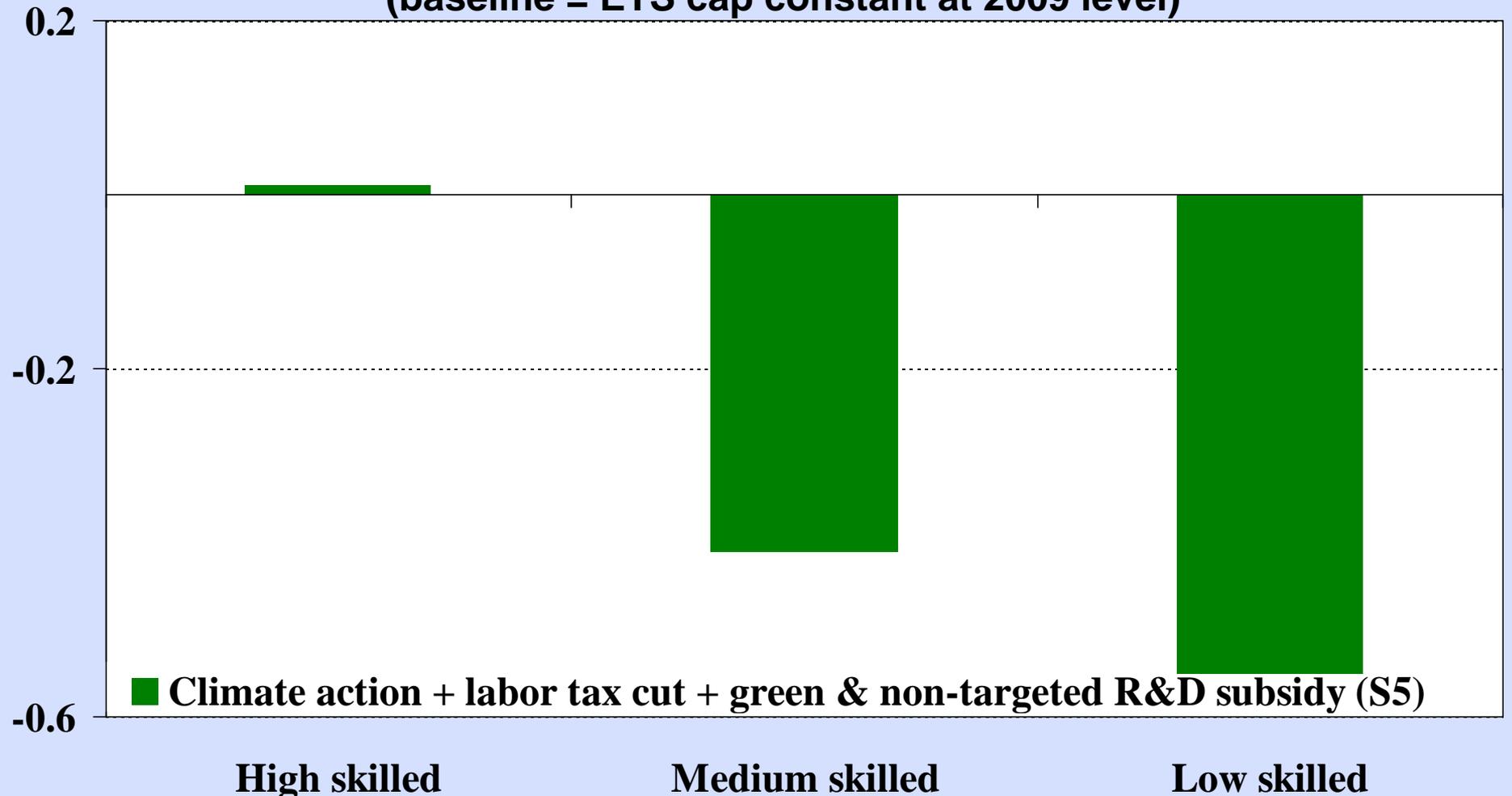
Unused charts

Green jobs in Germany reached 1.8 million in 2006 (4½% of all jobs)



Climate action dampens real wages, of low-skilled workers in particular

Change in EU 27 REAL WAGE in 2020 by skill level (in %) relative to baseline (baseline = ETS cap constant at 2009 level)



Source: EIB presentation based on Conte et al. (2010)

Climate action shifts investment from fossil to nuclear & renewable energy

**Change in EU 27 INVESTMENT in 2020 by sector (in %) relative to baseline
(baseline = ETS cap constant at 2009 level)**

