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THE CURRENT: What's in Biden's \$2 trillion climate plan?

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(MUSIC)

Pita: You're listening to The Current, part of the Brookings Podcast Network. I'm your host, Adrianna Pita.

Last week one of Vice President Joe Biden put out a \$2 trillion plan to combat climate change, aiming to significantly reduce the country's reliance on fossil fuels, boost the clean energy economy, and meet environmental justice goals for historically disadvantaged communities. With us to discuss some of the details of this plan is Joe Kane, senior research associate and associate fellow with the Metropolitan Policy Program here at Brookings. Joe, thanks for talking to us today.

Kane: Thanks, Adrianna.

PITA: So, this package is more ambitious than the plan that Biden originally put out during the primary. It's looking at spending \$2 trillion over four years instead of 1.7 over 10. We'll go into some more of the particular proposals further on, but overall, what would you consider to be some of the main highlights and main takeaways of this plan?

Kane: Right. So, I mean, look, even in the depths of a global pandemic and recession, the fact is climate change hasn't stopped and we can't just pay lip service to the challenge, but have to invest and act. And this action needs to center, not only on physical sort of infrastructure projects, but on people, addressing regional divides, demographic divides, economic divides and so on. And so that's where Biden's plan really comes in. As you said, proposes \$2 trillion in his first term, that looks to create that foundation for short and long term change. It's part of his larger "Build back better" policy plan and much more expansive than the ideas he was proposing during the primary.

But I think the crucial point that I'll emphasize here is, it creates this sustainable and equitable clean energy future that really sets the country on what he calls an irreversible path to achieve net zero emissions no later than 2050. So, very clear target, very clear timeline. Even as we've seen, you know, several other federal efforts on this front from the Green New Deal to the House Select Committee on the Climate Crisis to different proposals on the campaign trail, Biden's plan is quite expansive and ambitious.

I break it up really into two chunks. The first is really focused more on transforming our infrastructure. So, under that there's what he calls sort of a rail revolution, which includes electrifying the system and having high speed rail. Transit improvements, including buses, light rail, pedestrian, bicycle improvements; so providing those clean accessible transportation options for people. Water: safer drinking water, better flood management. Broadband: high speed internet connection that can hopefully be universal for all different types of households. And then, of course, energy, where he's hoping to have carbon-free pollution by 2035, so large scale renewable and distributed energy. So that's kind of the first chunk of this plan is on infrastructure.

The other part, kind of a whole bunch of different topics. One being auto: so, auto manufacturing, supply chains, electric vehicles and charging infrastructure. Buildings and housing, the need to upgrade and retrofit up to 4 million buildings nationally. Innovation around clean tech, agriculture and land

conservation, especially in rural communities. And this point on environmental justice, of targeting these efforts in communities most directly impacted by pollution and so on.

So, there's a lot here and it's unprecedented historically, when you think that President Obama's \$90 billion clean energy investment in the 2009 stimulus was really the next biggest. This is like 20 times bigger than that. But obviously several details are still lacking, including, you know, where the money is going to come from and ultimately how there would be congressional approval for implementation.

Pita: Right. There's sort of a long history of climate and environmental issues being set up as somehow being in opposition to economic or job-related priorities. But Biden is really giving this strong billing as an economic initiative, not just an environmental one. In his speech, as he was laying this out, he said that "when I think about climate change the word I think of is 'jobs'." What are some of these economic and jobs stimulus pieces of this plan? And do you feel -- understanding that more details are coming, of course -- does the substance in them sort of hold up to his billing?

Kane: Yeah, I think the point that he makes in this plan is these improvements wouldn't just be powered by American-made materials and products, but would actually be powered by millions of skilled workers who would be supporting this cleaner economy and so there's really three points I'll touch on here:

First, that there's a variety of careers that are emphasized in this plan. So, as I had mentioned before, many different types of infrastructure -- transportation, water, energy and so on -- but many different types of workers naturally are involved in those activities. We've done some research on this before, pointing to the fact that more than one out of every 10 workers nationally are employed in infrastructure -- think construction laborers, engineers, technicians. And many of those workers are employed in clean energy and in water infrastructure and in the skilled trades, as we're realizing I think even right now with our essential worker conversations during the coronavirus. Biden's plan definitely touches on the variety of opportunities in this space. That's kind of point one.

Point two is the quality of these careers and jobs. He has a huge emphasis on unionization and collective bargaining, so really pointing towards the wages, the benefits, and other protections, ideally, that would come through these positions. We know that union membership has declined just nationally across all industries over the past few decades. We were at about 20% union membership in the 1980s. Now we're only about 10%. So this plan looks to hopefully jumpstart more careers that give workers that that greater pay, security, and certainty in what's now a very uncertain age. So that's, that's sort of the second point that the plan I think it's trying to get across.

The third, related more to equity, is this focus on hiring and training and retention on diverse and really locally well-trained workers, including many women and people of color. And so, to what extent can federally funded projects prioritize labor agreements and the hiring of workers in, for example, registered apprenticeship programs that that pull from this more diverse labor pool. He has an idea of the Civilian Climate Corps in this plan, which is interesting, and other sort of flexible, durable pathways to career success. So that hopefully can boost the diversity and ultimately the equity in our economy at large.

Pita: You've written about the importance of infrastructure, not just from the economic perspective, but also part of building up climate resilience as well. How does this plan address those priorities?

Kane: So, when we talk about resilience, especially in a climate sense, we think of how can individuals, but how can the whole economy both recover from and actually, you know, survive and thrive in the future from just tremendous shocks from the environment around us. And so Biden's plan, by all indications, tries to have more of that proactive and planning and investment, focusing not just on big dollar signs and shovel-ready proclamations or flashy mega-projects, but actually creating longer term policies and commitments that that give us the greater ability to adapt over time while having targeted priorities on tech, repair and maintenance, training and jobs. And so that that part of it is certainly central to creating a more resilient economy and resilient lifestyle for more people.

I'd say related to that is, is coordination and scaling of efforts. So often, when we think of how can we be better prepared to face a more extreme and uncertain climate, it isn't just one person or one region, or one organization that's going to handle all that. It's going to take the combined efforts of many national, state, and local partners: transportation agencies, utilities, unions. The concerns are huge all across the country and there needs to be greater coordination and a recognition of the scaling needed for replication and best practices in these areas. And so, the plan does highlight that in terms of its areas of priority. And of course, ongoing, I think there still are questions related to funding and finance around this. But I do think that it provides that template for action to create that coordination and proactiveness that's needed for resilience.

Pita: In the absence of federal leadership over recent years on climate issues, states and localities particularly have been making a lot of their own plans, setting their own goals and priorities. Does this sync at all with the state level actions? Is it purely federally focused? How is it going to work with what's already underway?

Kane: Yeah, at a basic level Biden's plan demonstrates national leadership and offers potential capacity for state and local leaders during this uncertain time and beyond. The reality is that states and localities remain the primary owners and operators of our infrastructure. They're responsible for more than three-quarters of all public spending on transportation and water each year, for example, and they're continuing to shoulder most of the responsibility when it comes to dealing with floods, droughts wildfires and more. And the reality though also too, is that localities cannot single-handedly control or solve all these challenges, and they're constantly exploring ways to adapt and mitigate what happens to them. So, the need here is not just to rely on the same band-aid fixes and kicking the can on our infrastructure investments but actually prioritizing those places and people that are most vulnerable to all this change. My recent report highlighted the importance of strengthening our local levers for action, which includes advancing policies and plans that address climate impacts on all types of households, boosting local fiscal capacity, equipping workers with skills and training to manage this cleaner, safer environment. So when you look at this plan, there are a lot of parallels, I think, to what's happening at a state and local level and hopefully there's an opportunity for greater action across national, state, and local boundaries that can ideally help address these climate concerns and our economy, too.

Pita: Great. Well, we'll stay tuned. Joe, thanks very much for talking to us today and explaining this.

Kane: Thanks a lot.