Making a Greener Economy a Fairer Economy
by Dan Steinberg
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In his scathing critique of the 1929 Regional Plan for New York and Its Environments, Lewis Mumford warned that it should be finally judged not "by its separate details, but by its drift." This holds true of PlaNYC as well.

Mayor Michael Bloomberg's sustainability agenda is chock full of urgent and unassailable proposals for "greening" the city, but is ultimately flawed by a narrow conception of sustainability, insufficient treatment of the economic potential of environmental policy, and a failure to lay out a program for insuring that future growth is equitably distributed. Its glaring omission of "green collar jobs," along with a land use agenda dominated by real estate and its timid proposals for reforming procurement policy all mar its lofty goals. PlaNYC reflects the Bloomberg administration's resistance to innovative approaches that would provide a modicum of social sustainability in terms of jobs, income and neighborhood stability.

To be sure, Bloomberg understands that public and private efforts to foster a healthy environment have significant implications for the local economy. In a 2008 speech, he lamented, "For far too long, environmentalism has gotten pitted against economic development." He went on to declare that clean energy would "be the oil gusher of the 21st century" and that "going green is the best -- indeed the only -- pro-growth strategy."

Yet conspicuously missing from the original PlaNYC report was a discussion of green collar jobs and industries, or for that matter, any explicit strategy for green growth. The recent update includes a token two-page section on "Economic Opportunity," but the overarching framework remains the same.

Instead of promoting development from within, PlaNYC is preoccupied with how to solicit outside investment by "attracting companies and talent:" and "new people" who "bring new ideas and innovation." Bloomberg continues to emphasize large-scale redevelopment projects, characterized as "smart growth" despite their spotty track record in terms of yielding fiscal and economic benefits, and their failure to generate trickle-down benefits to distressed neighborhoods.

The report also offers no roadmap for how the city could augment local production efforts to meet the changing needs of a green economy, including those encompassed by PlaNYC initiatives. Finally, because the administration's notion of "sustainability" does not consider social equity, the plan offers no discussion of the level, distribution and stability of income for current New York City residents, and makes no effort to address disparities in economic opportunity such as those in London's sustainability plan. As far as we can tell from the PlaNYC report, the people of New York City will be as unequal in 2030 as they are today, and low-wage jobs will continue to drive the city's job growth.

Green Collar Jobs and Industries

The PlaNYC programs have already helped stimulate investment in the retrofitting of buildings, installation of solar panels and improvements to the city's infrastructure and mass transit, to give a few examples. This should provide local economic development officials with the opportunity to affect how such investments ripple through the local economy, the types of jobs they create, and in some cases, even their wage and benefit levels. However, while PlaNYC emphasizes the many jobs that would be created in construction, maintenance, forestry and engineering, it does not chart a plan for how these investments could create a green industrial sector.

A study commissioned by the mayors of Minneapolis and Saint Paul on green economic development concluded, "Jobs aimed at retrofitting and renewable energy installation, while critical to meet environmental goals ... have a short-term focus. Unless these programs are tied to local manufacturing, they will have a limited impact on the long-term development of the region."
Following the Green

The articles so far:

Shades of Brown by Melissa Checker: Under a city program, developers are cleaning up vacant land and building on it. While the projects improve the environment, some do little to serve other needs in their communities.

Cracks in the Concrete by Anne Schwartz: The Bloomberg administration not only wants a greener New York, it wants a more permeable one. A look at how green infrastructure could cut costs and clean city waterways.

The Missing Public by Alyssa Katz and Eve Baron: PlaNYC offers some outstanding proposals, but unfortunately it didn't involve the public very much in creating them.

Sustainability Watch: Part 2 by Tom Angotti and Melissa Checker: With the mayor renewing his plan for a greener New York, Gotham Gazette and Hunter College launch another series of articles about creating a more environmentally friendly city.

Counting Heads by Andrew Beveridge: City officials squawked when the 2010 census that found growth here has slowed. New York's pride may be wounded, but the census probably got the numbers right.

A More Modest Proposal by Gail Robinson: In 2007, Mayor Michael Bloomberg unveiled an environmental plan that called for charging people to drive in Manhattan. This time around, he set forth a new, less-controversial agenda.

Going for the Green by Courtney Gross: Four years after Mayor Bloomberg announced his plan for a sustainable city, is New York a more environmentally friendly city? A report on PlaNYC's wins and losses.

The transition to a green economy can afford New York an opportunity to reclaim some manufacturing jobs by identifying niches where local manufacturers have a competitive advantage and strengthening the supply chains to provide the materials and goods for projects stimulated by PlaNYC expenditures. This local production also would decrease greenhouse gas emissions by reducing the distance between manufactured goods and their final destination.

Other cities have attempted to do this. They have built local capacity through cluster initiatives aimed at connecting core businesses with suppliers and new technologies, and fostered the creation of green business incubators to provide logistical support and financing for startup companies.

PlaNYC, however, fails to appreciate the extent to which growth can be achieved by augmenting local production efforts that meet local needs. Instead, PlaNYC's "Transforming to a Green Economy" focuses more on promoting economic opportunities in New York to national and international companies.

Addressing this failure to support fledgling local businesses would require the city's Industrial Development Agency to reallocate its resources. Currently, about 70 percent of the agency's assistance goes to large commercial projects such as office buildings and large retail complexes. Instead the IDA should target subsidies as part of a strategic plan for promoting green industry while strengthening the market for green products by mandating sustainable business practices as a condition for receiving a subsidy.

Power of the Purchase

PlaNYC initiatives will require the city to buy new goods and services, creating a larger market for green products. The city can put this purchase power to good use.

Progressive municipal administrations across the country have long recognized that government's purchasing and contracting can generate jobs and shape local labor markets. Many experts agree that it is entirely justifiable to give local bidders an advantage over outsiders because of the spin-off benefits a local contractor provides.

The updated PlaNYC report discusses the current administration's policy of "environmentally preferable purchasing," which requires agencies to consider the human health and environmental impacts in procurement decisions. New York City procured almost $17 billion worth of supplies, services and construction last year, more
than any other city in the country, making it a potentially powerful customer.

Despite this, Bloomberg administration does not seem to have a local purchasing policy. The recent decision to award Nissan a 10-year exclusive contract to provide a new taxi fleet is a case in point. The city rejected a rival proposal by Karsan that would have manufactured its taxis in Brooklyn, generating hundreds of stable, high-paying jobs.

**Land Grab**

Adam Friedman, director of the Pratt Center for Community Development, has argued, "It is pointless to invest in green jobs if they have no place to go." Indeed, a study by the Center for Community Innovation at UC-Berkeley contends, "Cities that preserve land already zoned as industrial will place themselves at a competitive advantage for attracting green businesses."

Numerous studies have demonstrated that space is the primary challenge facing New York City's manufacturing businesses. Rather than addressing this issue as part of a green jobs initiative, PlaNYC exacerbates these pressures through its real estate-led development approach that privileges the "highest and best" use of land. This means, for example, that housing almost always takes precedence over manufacturing.

With the exception of the Industrial Business Zones created in select areas, this continues the administration policies of the last 10 years. It has already rezoned approximately 20 percent of the city's industrial land and continues to allow big box stores, hotels and other nonindustrial uses in manufacturing zones.

The resulting real estate speculation is only fueled by the PlaNYC report. It, for example, proposes the rezoning of many manufacturing zoned areas -- especially in Brooklyn, Queens and Staten Island -- as the solution to future housing needs. PlaNYC also assumes that "underutilized waterfronts" and any site within a 10-minute walk to a subway should be reserved for housing, thereby cutting off industrial activities from mass transit and the waterfront. This is not inconsequential from an environmental perspective since every large barge that brings material into the city replaces as many as 60 trucks.

**The Quality of Work**

Karen Chapple, a planning professor at UC-Berkeley, reminds us, "Despite the rallying cry for green jobs as pathways out of poverty, a green economy does not necessarily mean well-paying, green-collar jobs unless local job standards and training programs are in place." Indeed, a sizable number of potential green-collar jobs entail redeploying workers in industries that tend to pay low wages. For this reason, another Center for Community Innovation report lists living wage and benefits ordinances as its first recommendation to policymakers.

This is especially relevant to New York City, which has seen a sharp rise in the working poor and an unprecedented level of income inequality. New York City ranks worst with respect to inequality of household income among the 50 largest cities in the U.S., with the top 1 percent of the population receiving 44 percent of income in 2007, according to a report published by the Fiscal Policy Institute. A recent study by the Drum Major Institute further details the extent to which the city's lowest-paid industries dominate new job growth.

Despite these trends, PlaNYC does not incorporate wage or local hiring requirements in its projects. In fact, the Bloomberg administration is fighting a City Council bill that would require the recipients of economic development subsidies for large projects to pay their employees a living wage of $10 an hour with medical benefits or $11.50 without. Meanwhile, the city has subsidized the creation of poverty wage jobs through its awarding of grants, tax incentives, and land use changes to stadiums and shopping complexes. In order for the city to achieve equitable and sustainable long-term economic growth, public investment in green industries must be tied to a living wage.

In the absence of leadership from the Bloomberg administration, the task of coordinating the city's economic development activities with its sustainability plan has largely been left to non-governmental organizations such as Urban Agenda (now the Alliance for a Greater New York), the Pratt Center for Community Development, NYC Apollo Alliance, and grassroots efforts such as Green Worker Cooperatives. In 2009 Urban Agenda and the Center for American Progress published the New York City Green-Collar Jobs Roadmap, a detailed overview of workforce development resources and needs, a breakdown of potential growth industries for a high-road green economy, and a host of essential policy recommendations to be incorporated into PlaNYC.
Despite such initiatives, the Mayor's Office of Long-Term Planning and Sustainability still has not engaged in a meaningful discussion of green collar jobs and industries. To be sure, PlaNYC's reports contain an implicit strategy for economic development, assuming that becoming greener will make New York ripe for outside investment. The reports also explicitly recognize that many of its initiatives will result in job creation if workers are adequately trained. However, the lack of a specific plan for green collar jobs cannot be dismissed as an oversight given the cacophony of voices that called on the city to address this shortcoming after the release of the first report.

Perhaps the problem stems from two conflicting agendas within this administration. Economic development officials have been charged with pursuing growth at any cost while the Office of Long-Term Planning and Sustainability and other agencies seek to mitigate the harmful effects of growth. If economic development officials considered growth as more a strategy than goal, more a means than an end, then PlaNYC might have focused on harnessing the emerging green economy to achieve a more just and sustainable city.

Dan Steinberg is a doctoral student in Urban Planning at Columbia University.

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