

Evaluating welfare policy initiatives to achieve the 1.5°C target

1. Reduction of working hours

The initiative to reduce working hours is often analysed in the context of limiting climate change. It can be implemented **in different ways**: shorter working week, six-hour working day, longer vacation or earlier retirement age, as well as on **different scales**: national, industry or company level. This initiative has broad potential to increase or decrease emissions or inequality.

Arguments for	Arguments against
Can improve quality of life, reduce stress and burnout	Real income and ability to pay for goods or services may be reduced
Can reduce emissions by commuting less, by producing and consuming less, and by people spending more time with their family	Consumption can be increased by people pursuing more traveling and other emission-intensive leisure activities
Unemployment and inequality can be reduced by sharing work and hiring laid-off workers	Exercising it only in certain sectors can increase inequality at the expense of others

2. Job guarantee

A job guarantee is analysed as one way to prioritize sustainable industries and to reduce the negative impact of potential layoffs in high emission industries on low-income households, which suffer the most from the environmental and health costs of pollution and climate change. Job Guarantee is a national program that offers work to anyone who wants it. It can be provided both by the state and in cooperation with the private sector.

Arguments for	Arguments against
Jobs that support environmental and climate goals can be prioritized	Jobs that have no positive or even a negative environmental impact can be unwittingly created
Carbon reduction can be promoted across sectors where there is a workforce recruitment programme	There may be potentially little impact on other high-emitting industries and workplaces
Inequality can be reduced by supporting low-income and skill groups	Inequality cannot be solved without providing wages similar to the for-profit sector



3. Universal basic services

In many countries, there exists an unequal distribution of basic services such as food, housing, and healthcare, with certain segments of the population overspending resources while others receive insufficient access to them. Further, setting strict environmental requirements to limit certain economic activities or including environmental costs in the prices of goods and services can increase various forms of inequality. One of the discussed solutions is universal basic services, which include providing people's rights to a wider range of public services that address the basic needs of citizens. Interpretations of what constitutes a basic service and how much to subsidize it vary, but it most commonly includes food, housing, health care, education, sometimes also transportation, and information.

Arguments for	Arguments against
Establishes the right of individuals to meet their basic needs, reducing inequalities in access to basic services, especially for communities adversely affected by climate change and pollution	May not address inequality and divert attention away from high-emission luxury consumption
Services can be streamlined by maintaining high investment in research and development, thereby reducing resource consumption	Consumption can be increased by setting standards of living that require resource depletion
Basic services can be provided with compliance with high environmental standards	It may require a complex needs assessment system and infrastructure, segmenting services according to different needs

4. Renovation program for the most energy-inefficient buildings

One of the biggest sources of emissions is residential heating and cooling. In many countries, reducing the amount of emissions is hindered by the low energy efficiency of buildings in the affordable housing sector. Many building renovation programs, on the other hand, are available to those who already have the finances and know-how to carry out the renovations. Other initiatives, including *Renovation Wave for Europe*, promote the renovation of buildings that generate the most emissions and are in the most problematic condition. This means financial and technical support specifically for these buildings and their residents, targeting support to low-income households.

Arguments for	Arguments against
Buildings inhabited by low-income households can be renovated and their emission levels reduced	Housing value can be increased in such a way that the most vulnerable residents are displaced
Buildings can be saved from destruction reducing the need to build new buildings, which contributes to new emissions and resource extraction	Buildings can be renovated, the renovation of which might not be more efficient than the construction of a new, more energy-efficient building
Energy poverty can be reduced by reducing utility and management bills after the renovation	Inequality and reducing emissions from buildings can be minimally addressed because the mechanisms of inequality and emissions in other areas remain the same



5. Free public transport

Private cars account for a large part of transport emissions, so promoting the popularity and affordability of public transport is one of the central strategies for reducing transport emissions. In many countries and cities, public transport is significantly subsidized, but there are [examples](#) where free public transport has been introduced at the national level (Luxembourg), city level (Tallinn) or route level ([add local example if possible](#)).

Arguments for	Arguments against
Transport emissions can be reduced when citizens reduce their use of private cars	There may be high costs that the state can divert from other social and environmental investments
Can improve air quality and make cities more citizen-friendly, thereby reducing suburbanization	Overcrowded public transport can be created, unable to provide the demanded volume and quality of mobility
Can improve street safety and reduce congestion, making streets more accessible to those with less access to public transport	It may be that public transport is not equally accessible and necessary for everyone, which creates a situation where a part of society pays taxes disproportionately for its use

6. Income ceilings

According to a recent report by Oxfam, it was found that a mere 10 % of most affluent individuals are responsible for generating 50 % of the total global emissions. This signals that policies that restrict incomes and increase taxes on wealth and property play a critical role in meeting the 1.5°C limit. While some proposals advocate for absolute caps on income, others suggest implementing ratios.

Arguments for	Arguments against
The most emitting luxury consumption can be reduced	Investments in sustainability-oriented technologies and solutions can be reduced
Inequality can be reduced and more fair distribution of resources can be promoted	A situation may arise where companies and individuals see compliance with environmental protection requirements as a risk to financial stability
The concentration of material wealth that contributes to financial instability can be reduced	Non-declaration of income and the grey economy, which also does not respect environmental requirements, can be encouraged



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This project has received funding from the European Union's Horizon 2020 research and innovation programme (grant agreement No 101003880).

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