

Forbes (7) Short term jobs (green or otherwise) should not be the only consideration when forming policy. A short term focus on jobs today can end up doing long term economic harm. For instance, if we spend too much borrowed money to create jobs today, the long term drag on the economy caused by paying back the debt will leave everyone worse off.

Economic growth fueled by the extraction of non-renewable resources is very similar to economic growth fueled by debt. When we extract these resources and use them, we increase economic activity today, but their non-renewable nature means that we lose the opportunity to extract and use them tomorrow. Hence, the economic stimulus today comes at the cost of an economic drag tomorrow, and the future economic drag will generally be larger than today's stimulus, since improving technology should allow us to get more benefit from each unit of resource in the future.

Using renewable resources to stimulate growth does not have this problem: Tapping the wind or the sun for energy today does nothing to diminish the wind or sun tomorrow. Hence, to the extent a green job relies on renewable resources and a brown job relies on fossil resources, the green job should be preferred, even before taking the environmental benefits into account.

Policy Implications

If we only consider job creation, the focus on policy should be on economic activity, with a preference for green jobs, since a focus on fossil resources has a cost on future economic activity than jobs based on renewable resources.



www.forbes.com/sites/tomkonrad/2011/09/28/the-microeconomics-of-green-jobs/

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