



MANUFACTURING AGENDA

A National Blueprint for Clean Technology Manufacturing
Leadership and Industrial Transformation

EXECUTIVE SUMMARY

The U.S. can once again lead the world in manufacturing the technologies and products of the future. As an integral part of an aggressive strategy to address the climate emergency head on—and in line with achieving net zero emissions economy-wide by 2050—we have the opportunity to modernize and transform our industrial base to make it the cleanest and most advanced in the world, while spurring the creation of a new generation of good, safe jobs manufacturing clean technology. This industrial transformation can bring dynamic industries back to communities that have been left behind by deindustrialization and under-investment, and provide a starting point for broadly shared growth and prosperity.

Last year, the BlueGreen Alliance—alongside our labor and environmental partners—released *Solidarity for Climate Action*, an ambitious, concrete platform to address the crises of climate change and economic and racial inequality simultaneously.¹

Transforming America's manufacturing sector is an opportunity to do so—creating and sustaining good, union jobs and rebuilding the middle class, while also reducing pollution and protecting our air and water.

The economic stakes are enormous. Manufacturing directly employs about one in 11 American workers, and contributes \$2 trillion a year to the gross domestic

product (GDP). Including the industry's purchases of goods and materials, however, manufacturing accounts for one-third of U.S. economic output or more, and its impact on the nation's innovation and competitiveness is even larger.² Manufacturing accounts for more than two-thirds of private sector research and development (R&D), while the sector's domestic strength plays a central role in the balance of U.S. imports and exports—and the jobs that go with them. Manufacturing also has the proven ability to provide pathways into the middle class for millions of workers and families, and to support millions of high-skill, high-wage jobs. It has not always delivered on that promise, however, and today those opportunities are increasingly unavailable for too many American workers.

Meanwhile, global investments in clean energy, transportation, and infrastructure technologies are forecast to reach into the tens of trillions of dollars over the next three decades, posing both a powerful opportunity for job creation and economic growth, and a serious risk that, without action to lead as technology changes, American workers and companies could be left behind.³ We cannot rebuild prosperity if we fall behind the rest of the world in building the technologies of the future, or if working people and the communities they live in fail to see the gains from innovation and a cleaner economy.

The industrial sector represents a large and growing share of emissions with far less progress made to date in greenhouse gas (GHG) emissions reduction than in many other sectors. Industrial sector emissions now account for nearly a one-fourth of GHG emissions in the United States, and have nearly tripled worldwide since 1990.⁴ At the same time, these industries are essential to produce the materials and components necessary for clean technology and infrastructure—and to modern life.

Working people are often offered a false choice: you can't have good jobs and a clean environment. The manufacturing agenda presented here rejects this notion and shows clearly that American manufacturing can be the cleanest and most innovative in the world, and that we can create and sustain high-quality jobs building America's future. Establishing robust, high-road, domestic production of clean technology can capture the economic benefits of the clean economy in the United States. Meanwhile transforming energy intensive industry to produce essential materials with far lower emissions can ensure that deploying clean technology doesn't drive jobs or pollution overseas. Done right, industrial transformation can help roll back economic inequality and reverse the slide in wages, benefits and workers' rights that has undermined workers and their communities for decades.

A National Agenda

The BlueGreen Alliance's manufacturing agenda proposes a set of national actions to achieve global leadership across clean technology manufacturing; cut emissions from the production of essential materials; upgrade and modernize the entirety of the U.S. industrial base within three decades; and undertake a new generation of industrial development that rebuilds good American jobs and is clean, safe, and fair for workers and communities alike.

This agenda lays out a plan across five pillars of action, and it is guided by an overarching strategic focus on strengthening good jobs, equity, and reinvestment in manufacturing, communities, and workers.

PILLAR 1: INVEST AT SCALE IN A NEW GENERATION OF AMERICAN MANUFACTURING

- Establish and capitalize an industrial bank and/or revolving loan fund;
- Make an increased, sustained and coordinated investment in three priority areas:
 - ▶ Building robust clean technology supply chains in America;
 - ▶ Transforming energy-intensive industry; and
 - ▶ Responsible mining, recycling and reclamation;
- Expand our existing loan, grant and tax programs to rapidly retool and convert American factories to build the technologies of the future, and to fill critical gaps in the manufacturing supply chain; and
- Transform energy-intensive industry to utilize advanced clean processes and technology nationwide within three decades.

PILLAR 2: INNOVATE TO TRANSFORM INDUSTRY

- Greatly increase U.S. funding for R&D to levels competitive with leading nations;
 - ▶ Establish a new U.S. Department of Energy (DOE) Office of Industrial Transformation, and execute a program of technology development, demonstration, and deployment in energy-intensive industry commensurate with achieving net zero emissions by 2050;
 - ▶ Coordinate, fund and execute a program to speed the development of economically critical clean technologies and supplier networks in the United States;
 - ▶ Establish a permanent jobs, labor, and energy workforce program in the Office of the Secretary of Energy;
 - ▶ Increase public benefit from publicly funded research and innovation; and
 - ▶ Ensure U.S. clean economy manufacturing objectives are elevated as a primary focus of a new National Institute of Manufacturing.

PILLAR 3: RESPONSIBLY MINE, RECYCLE, AND RECLAIM THE CRITICAL MATERIALS NECESSARY FOR A SECURE, CLEAN ECONOMY

- Develop a comprehensive national critical minerals strategy guided by a commitment to environmentally, economically, and socially responsible mining of minerals necessary to anchor clean technology manufacturing in the United States;
- Incentivize and enhance use of responsibly produced critical minerals and metals in line with that strategy;
- Jumpstart responsible domestic critical materials recycling projects and circular economy promotion; and
- Spur reclamation, remediation, and repurposing of industrial sites and spur economic development in hard-hit communities.

PILLAR 4: USE PUBLIC INVESTMENT WISELY TO SUPPORT A STRONG, CLEAN, FAIR MANUFACTURING ECONOMY ACROSS AMERICA

- Utilize direct federal procurement to spur demand for clean, fair, safe, and domestically manufactured clean technology, while upgrading our public infrastructure and services;
- Improve and extend Buy America/n, and ensure its effective application to manufactured goods, clean technologies, and materials;
- Utilize soundly crafted Buy Clean procurement policies that incentivize and reward clean, low-carbon production of energy intensive materials;
- Utilize “Fair and Responsible” procurement approaches to enhance labor standards, workers’ rights, career pathways, equity, and community benefits;
- Ensure all major public spending on clean technology deployment—such as tax incentives, loan, grants, and bonds—support high labor standards and domestic manufacturing throughout the supply chain; and
- Develop and enact the globally leading energy, emissions, and pollution standards necessary to drive demand for clean technology production in the United States.

PILLAR 5: CHANGE THE RULES TO BUILD A CLEAN ECONOMY THAT WORKS FOR ALL AMERICANS

- Raise labor standards across the private sector and actively discourage exploitative business models in the production and deployment of clean technology;
- Ensure fair trade rules and enforcement, and enact appropriate border adjustments;
- Realign corporate tax and finance rules and incentives to encourage investment in domestic plants and workers and to discourage outsourcing and offshoring; and
- Enact proactive measures to prevent unnecessary job loss in changing industries and ensure holistic reinvestment in communities where job loss or disinvestment is underway.

Now is the time for action to transform America’s industrial sector. Bold and proactive policies and investments can position the U.S. manufacturing sector to lead in clean technology manufacturing and low-carbon materials production for generations to come. We have an economically and environmentally critical opportunity to demonstrate that working people and policymakers can come together to:

- Act urgently, comprehensively, and at scale;
- Lead and capture new clean technology markets at home;
- Invest fairly and equitably to rebuild the industries of today and the communities that need it most; and
- Ensure good, fair, and safe jobs in old and new industries alike.

If we do so, we can break the cycle of working people bearing the costs of technological and economic change, and ensure there are far fewer instances in the future where we find ourselves mitigating the human and economic costs of industries that have already been lost.

Both our economic and climate needs are urgent. With the right action in our manufacturing sector, we can both grow and sustain good jobs and build a healthy environment. We do not have to choose between good jobs and a clean environment; we can and must have both.



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