



## **Study: Green Jobs Programs Stifling State Economies**

**H. Sterling Burnett**

**April 9, 2012**

Green jobs programs enacted by various states are causing economic harm on an economy-wide basis that outweighs the limited economic benefits within the “green” energy sector, according to a newly published study by the nonpartisan State Budget Solutions.

### **Job Destruction Outweighs Creation**

The report, *Green Jobs Don't Grow on Trees*, concludes green energy programs cost more jobs than they create and more tax money than they produce.

The study's State Profiles section looks at a variety of factors to determine the success or failure of various states' efforts at promoting green energy. Among the factors are the amount of ARRA green energy dollars each state spent, the number of green jobs created, and the growth of green jobs during the period of spending.

Despite spending more than \$10.8 billion ARRA dollars on green jobs, 16 states actually lost jobs in the green energy sector. Three states alone spent more than \$1 billion on green jobs only to lose more than 2,700 jobs.

Of the 33 states that spent ARRA money and saw job growth in the green job industry, the average subsidy was \$871,000 per job created.

Leonard's study confirms similar data from Europe. A 2009 study from Madrid's King Juan Carlos University found for every green job the government “creates,” 2.2 jobs are lost elsewhere in the economy. In addition, only 10 percent of those green jobs were permanent, with the average green job adding nearly \$750,000 in costs to consumers' bills.

### **Other Priorities Suffer**

“Green energy projects can come at great costs,” Leonard said. “Unable to deficit spend, states face hard and fast budget limits. Thus every dollar spent in an attempt to generate green jobs is one less dollar available for competing public programs like school maintenance, police salaries, public education, public health, or public housing.

### **Markets Work Best**

Todd Myers, director of the Center for the Environment at the Washington Public Policy Center, points out the unavoidable difficulties in government trying to bolster the economy through expensive renewable power.

“The best efforts of green planners are stymied by the inherent limits of knowledge,” Myers said. “Planners can neither know what technologies will succeed in the future nor what the public will desire or need. By contrast, markets distill knowledge, with consumers expressing their wishes through their purchases.

“If green jobs were cost-effective, industries and companies would have provided them absent government prodding,” Myers explained.