

Expert Witness

Julie Froud, Professor of Financial Innovation, University of Manchester



What is your passion / specialism / position on solutions to the climate crisis?

I am a researcher at the University of Manchester. For many years I have been researching the foundational economy – that is, all the important services and systems that we use every day and which have a big effect on quality of life. This includes food, transport, housing, health and care, energy, education and more.

Many of these systems don't work well for everyone and most of them also need to be renewed and upgraded to make them better suited to meet net zero targets. My interest is in thinking about new policies and actions that can improve the foundational economy in ways that also improve social justice and inequality.

In the session on Saturday 6th March, I will talk about the just transition, trade-offs and co-benefits.

Just transition is about how we make changes to meet climate change goals. We need to be aware that the changes we make will have some consequences for some people. This might affect jobs, how much things cost, and the choices we have. The process of change should be designed and managed so that we achieve good outcomes in terms of reducing income inequality, creating good quality jobs and improve well-being at the same time as we improve environmental sustainability.

We all have to deal with **trade-offs**: many decisions we take as individuals have trade offs in terms of time, money, health or future options. We might be prepared to accept the negative consequences for us in return for the outcomes we want. But sometimes decisions made by one person have negative consequences for someone else. And, in relation to climate change these trade can be big in scale and affect lots of people, including future generations.



However, there can also be **co-benefits** from the decisions and actions we can. Co-benefits could be more time, better health, more opportunities.

A just transition therefore needs to be transparent about the trade-offs, try to manage them and ensure the greatest co-benefits, especially for those who are most disadvantaged.

If you want to find out more about the foundational economy, there's a really good film (in English and Welsh) here: <https://www.dolan.cymru/>

You can watch a short video about just transition here:

<https://www.youtube.com/watch?v=RqZZwgTppil>

The idea of the just transition originally comes from the trade union movement. If you want to know more about this, you can [read a report here from the International Labour Organisation](#).

Thinking about critics and/or alternative views to that which you have put forward above – what would others say about your perspective and idea?

These terms – just transition, trade-offs, co-benefits - are widely used and accepted but can seem a bit vague. Can we agree on what they mean?

It's relatively easy to measure some things in terms of money. But other things – often the most important things – are more difficult to measure. So it will not be easy to make sure we get the trade-offs right.



Use this final part of your presentation to help Assembly members better understand your position in relation to others and what that means for addressing the question that they have been set.

In this talk I am setting out some general ideas and concepts. This follows on from the talk by Lorraine Whitmarsh which outlines some important issues about why and how we should act to deal with climate change.

We know what climate change is and the reasons why we need to take actions – both as individuals and as a society (covered by Chris Blake earlier). If you accept that, there are lots of choices to be made about what should be done, how quickly and by who, especially in relation to housing, transport and nature/ green space.

The climate assembly is a way to get your views on these big questions.