**Realigning climate-forcing players**:

**Power Resources Mobilisation in the Just Transition**

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**Abstract (500 words)**

Climate change and decarbonization imperatives have led governments across the world to adopt policies aimed at reducing the economic value of ‘climate-forcing assets’ such as coal mines or the transportation sector. However, decarbonization policies rarely affect climate-forcing asset holders alone. More often than not, such asset ‘stranding’ comes at a cost for the *social fabric* of established communities, starting with the fragmentation of social structures at the local level.

From a political economy perspective, this context raises several questions: Can asset-stranding policies be designed in a way that enhances (rather than undermines) community ties? To what extent can political intermediaries embedded in CFA structures initiate, cope with, and react to large-scale shifts in relative valuations?

Rich evidence exists that fossil fuel communities are more likely to support climate policies if they are paired with *just transition* policies. A popular view in the literature focuses on the role of egotropic preferences in individual realignment and conceive just transition as compensation tools for the economic costs imposed on 'climate-forcing asset holders’. However, individual realignment may also rest on preferences of a more sociotropic nature. In this approach, Just Transition interventions should be viewed as capacitation tools that contribute to revitalizing the social capital of most vulnerable places. This paper seeks to assess the relative role of egotropic against sociotropic preferences of Just Transition interventions among affected communities and to consider the extent to which trade unions’ positions mediate these preferences.

Drawing on existing literature, we argue that unions can dramatically change perceptions of climate policy interventions via two different pathways: First, they may act as a *responsive player*, comforting 'climate-forcing asset holders’ in their resistance to decarbonization policies. Alternatively, they may choose to act as *realigning player*, identifying the (social) conditions under which realignment of CFAs towards climate goals would be considered acceptable.

To test our hypotheses, we conduct two survey experiments centered on a hypothetical decarbonization of the aeronautic sector in France and Germany, a key industry for employment and economic output. The scenario involves a major restructuring of Airbus aimed at reducing its carbon footprint, with uneven impacts on local areas heavily dependent on aeronautic manufacturing. In each country, we target representative samples from two key populations: (a) workers in carbon-intensive industries and (b) surrounding local communities. We first evaluate respondents' egotropic and sociotropic preferences for various just transition packages by using a conjoint experiment that examines a mix of attributes ranging from the nature of public expenditure, to the mode of financing, and governance of the Just Transition interventions. We then combine this survey with a vignette experiment aimed at determining how trade unions impact and structure just transition preferences, using four hypothetical experimental arms.

These finding should contribute to the literature on desirable policy mixes to reduce public opposition to CFA stranding and the role of union mobilisation in contributing to individual realignment.