**Realigning climate-forcing players**:

**Power Resources Mobilisation in the Just Transition**

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**Five key words**

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Trade unions

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Sociotropic preferences

**Long abstract (853 words)**

1. **CFA stranding and its political implications**

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 to the contestation of democratic structures by anti-climate parties (as observed in the US, Argentine, or the Netherlands).

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 (such as trade unions) embedded in CFA structures initiate, cope with, and react to large-scale shifts in relative valuations?

1. **Just transition policy support through community-building**

Rich evidence exists that fossil fuel communities are more likely to support climate policies if they are paired with *just transition* policies. However, when looking at the means to achieve this ‘Just Transition’, different views seem to concur. In particular, existing views distinguish themselves in their conception of (i) the individual *triggers of change* (ii) the *role* of just transition interventions; and (iii) the desirable *features* of social policies associated to climate policies. Among these, a popular view focuses on the role of egotropic preferences in individual realignment. In this perspective, Just Transition interventions are essentially conceived as compensation tools for the economic costs imposed on 'climate-forcing asset holders’. By contrast, emerging research has shown that individual realignment may also rest on preferences of a more sociotropic nature. While decarbonization will assuredly impact some sectors more than others, this perspective also emphasises that its main risks will reside in the wider social and political implications of CFA stranding. In this approach, Just Transition interventions should be perceived as impacting local ecosystems. Social policies, in turn, should be viewed as capacitation tools that contribute to revitalizing the social capital of most vulnerable places. Against that backdrop, this project seeks to assess the relative role of egotropic against sociotropic preferences of Just Transition interventions among affected communities differentiating between affected workers and the enlarged community.

1. **Just Transition Mobilisation: Power resources in focus**

Trade unions are a player at the crossroad of the just transition. They are involved in decisions linked to closure, consolidation, or greening of climate forcing firms. Besides, unions often act as locally embedded, political intermediaries, making them directly exposed to concerns linked to upholding the social capital of places affected by climate change. Such political intermediaries may shape preferences of local communities through various channels. They may cue the publics with the aim to shape preferences and mobilise sociotropic over egotropic inclinations. In addition, their actions may help signal concerns about the credibility of opposing parties' commitment, or help identify potential conflicts between the objectives of climate mitigating measures and local development prospects. Drawing on this, we argue that unions can dramatically change perceptions of climate policy interventions and can take two broad positions. 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. In the latter case, we expect that they may act either in a group-oriented logic (tailoring their support, e.g., via dedicated protections) or in community-oriented logic (targeting the whole local population, e.g., via community investments).

1. **Survey experiment: Substantive decarbonization of the aeronautic sector**

To test our hypotheses, we conduct two survey experiments centered on a hypothetical decarbonization initiative in the aeronautic sector in France and Germany, a key industry for employment and economic output. Unions play a critical role in both countries, albeit with varying degrees of institutional integration. 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.

* 1. **Vignette experiment**

We design a vignette experiment to determine how trade unions impact and structure just transition preferences. We use four hypothetical experimental arms.

* 1. **Conjoint experiment**

We evaluate respondents' egotropic and sociotropic preferences for various just transition packages using a conjoint experiment that examines the following attributes:

***Nature of public expenditure:*** Business support***;*** Worker cash compensation; Worker retraining support; Community investment in individual housing; Community investment in local infrastructure (public transport); Community investment in local services (schools);

***Mode of financing***: Cost for households; Mode of public financing

***Governance***: Community involvement; Partisan support; Union support

1. **Expected contribution**

The triangulation of these findings should help us identify public support for stereotypical Just Transition pathways of (i) individual compensation; (ii) a group-securisation; or (iii) collective capacitation. These findings 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 and collective realignment.