

Fact check US: Would Joe Biden's energy plan cause the loss of 10.3 million jobs in the oil and gas industry?

Thérèse Rebière Maître de conférences en économie, membre du Lirsa (Cnam) et Isabelle Lebon Professeur des Universités, directrice adjointe du Centre de recherche en économie et management, Université de Caen Normandie

Published on October 28, 2020 – Updated on February 26, 2021

On August 31, the Trump campaign blog claimed that Joe Biden's clean-energy plan would cause the loss of 10.3 million jobs related to the oil and gas industry – that is, 6.5% of all US jobs in 2019. While fracking helped the United States become the world's leading crude-oil producer last year, that figure is still exceedingly high.



To put it in perspective, for 10.3 million jobs to disappear, the *entire* oil and gas sector, along with all associated activity, would have to shut down. Such claims reflect the hyperbole of the 2020 presidential campaign.

Where did this number come from?

That figure is based on a [study by the American Petroleum Institute](#) evaluating the economic weight of the oil and gas sector in 2015. It identified close to 2.8 million direct jobs in the industry, including the many freelance workers employed in extraction. The rest are indirect- and induced jobs – 5.3 million in sectors sustained by the spending of oil and gas companies (indirect) or that of their workers (induced), as well as 2.2 million generated by the capital investments of companies profiting from these activities.

Some states are certainly highly dependent on the oil and gas industry. In Texas, for example, almost 2 million jobs are in some way related to oil and gas (12.2% of overall employment across the state); in Oklahoma, 16.6% of all jobs are related. According to the study, each job in the petrol and gas industry generates 2.7 jobs in other branches of the economy. This ratio is in line with [results](#) published by the Economic Policy Institute, estimating the number of additional jobs for each job in the extraction industry at 3.9 in 2019.

So, does this mean 10.3 million jobs in the oil and gas industry would be eliminated if Biden wins? Absolutely not and for at least two reasons.

Many jobs would remain

The claim assumes the elimination of jobs that will continue to exist no matter what the US energy sector looks like in the future. Out of the 2.8 million direct jobs, more than 1 million are linked to the distribution of gas and petrol; others are linked to the manufacture of lubricants, or paving mix and asphalt blocks for roads. Of course, switching to cleaner energy sources would not mark the end of roads or fuel stations; they would simply adapt to consumers' needs – for example, offering battery-charging facilities or hydrogen fuel. Looking at the associated activities, only 6 million out of the 10.3 million jobs are specifically contingent on oil and gas production.

A net-zero emissions economy by 2050

Biden's plan does not call for a stop to the extraction of fossil fuels, nor a ban on fracking. Instead, it suggests replacing them with renewable energies that will [generate new jobs](#). His [program](#) for a net-zero emissions economy by 2050 provides for \$2,000 billion in spending, with the aim of reorienting the automobile industry's technological strategy, increasing electricity production from clean energy, and repair ecosystems that have been damaged by resource extraction – mainly by abandoned, unplugged gas and oil wells. According to the plan, ecosystem rehabilitation alone would generate 250,000 direct jobs.

Employment losses in the fossil-fuel sector must be weighed against the new jobs that would be created by the swiftly growing renewable-energy sector. The claim that 10.3 million jobs would be lost – even that 6 million would be – is thus very far off the mark.

Fact check US is supported by [Craig Newmark Philanthropies](#), an American foundation fighting against disinformation.

This article was translated from the French by Alice Heathwood for [Fast ForWord](#)

[Thérèse Rebière](#), Maître de conférences en économie, [Conservatoire national des arts et métiers \(CNAM\)](#) et [Isabelle Lebon](#), Professeur des Universités, directrice adjointe du Centre de recherche en économie et management, [Université de Caen Normandie](#)

Cet article est republié à partir de [The Conversation](#) sous licence Creative Commons. Lire l'[article original](#).