



**Green Economy and Sustainable Development:
Bringing Back the Social Dimension
CONFERENCE**

The Global Economic Crisis, the Green New Deal and the No-Growth Economy

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Outline

- Reading the Crisis: Competing Paradigms
- Economic vs Ecological Imaginaries
- Strategic Essentialism
- The “Triple Crisis”
- The [Global] Green New Deal
- Variants of the GND
- The No-Growth Economy
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Crisis, what Crisis?

- Crises may be ‘**accidental**’, i.e., due to natural or ‘external’ forces (e.g., invasion, tsunami, crop failure, earthquake)
- Crises may be **form-determined**, i.e., generated by crisis-tendencies rooted in specific social arrangements (e.g., capitalism) with matching forms of crisis-management
- Crises ‘**in**’ are normal and solvable via *crisis-management routines or innovations that restore ‘business as usual’*
- Crises ‘**of**’ are less common, they involve a crisis of crisis-management, an inability to ‘go on’ in the old way
- Widespread, effective *refusal to ‘go on’ in old way, linked to radical readings of crisis, may lead to radical break*: this is the challenge of a Global Green New Deal

Interpreting Crisis, Governing Crisis

- Getting consensus on the interpretation of a 'crisis' is to have framed the problem and set the terms of its solution
- To successfully blame one set of factors and/or actors distracts blame from oneself and sets stage for various efforts to resolve crisis
- This consensus must be translated into coherent, coordinated policy approach and solutions that match objective dimensions of the crisis
- Effective policies need to be consolidated as basis of new forms of governance and institutionalized compromise

Entry points and Standpoints

- Crises cannot be understood in all their complexity in real time (if ever)
- To be able to act, we must reduce complexity: this occurs through different entry points, which are hard to join up, and from different standpoints, often conflicting
- Entry points include:
 - ecological, technological, financial, productive, legal, fiscal, political, educational, governmental, religious, ethical, ...
- Standpoints include:
 - technology vs social relations, capital vs labour, productive vs parasitic, north-south, gender, growth-no-growth, global-local, ...

Economic vs Ecological Imaginaries

- Two (potentially overlapping) sets of imaginaries that guide observation and interpretation of the crisis are:
- Economic: the anthropocentric viewpoint of
 - the substantive economy (provisioning in all its forms) *and/or*
 - the disembedded, profit-oriented, market-mediated economy
- Ecological: less anthropocentric viewpoint of
 - the cycles of ecological systems on multiple scales from “gaia” to local ecological niches and their interdependencies
- Political ecology (in its various forms) combines these but is compatible with many entry-and stand-points

Theoretical vs Policy Paradigms

- Policy paradigms derive from theoretical paradigms but have much less sophisticated and rigorous evaluations of the intellectual underpinnings of their conceptual frames
- Policy advisers produce policy from theoretical paradigms by screening out ambiguities and blurring the fine distinctions typical of theoretical paradigms
- Shifts between policy paradigms are discontinuous, follow theoretical paradigm shifts, but occur more frequently than theoretical paradigms since they do not require fundamental changes in identifying fruitful lines of inquiry (Wallis and Dollery 1999: 5)

Strategic Essentialism

- This involves recognition of the tension between the chronic heterogeneity of social identities and interests and the strategic imperatives of collective action
- It involves temporary solidarity for the purpose of social action, acting *as if* there was a dominant shared identity and set of common interests
- “Since one cannot not be an essentialist, why not look at the ways in which one is an essentialist, carve out a representative essentialist position, and then do politics, according to the old rules, *whilst remembering the dangers in this?*” (Spivak 1990: 45)

The Triple Crisis - I

“Crises are not new to the world economy, nor to developing countries. Indeed, our current predicament is a convergence of at least three crises: **in global finance, development, and environment.**

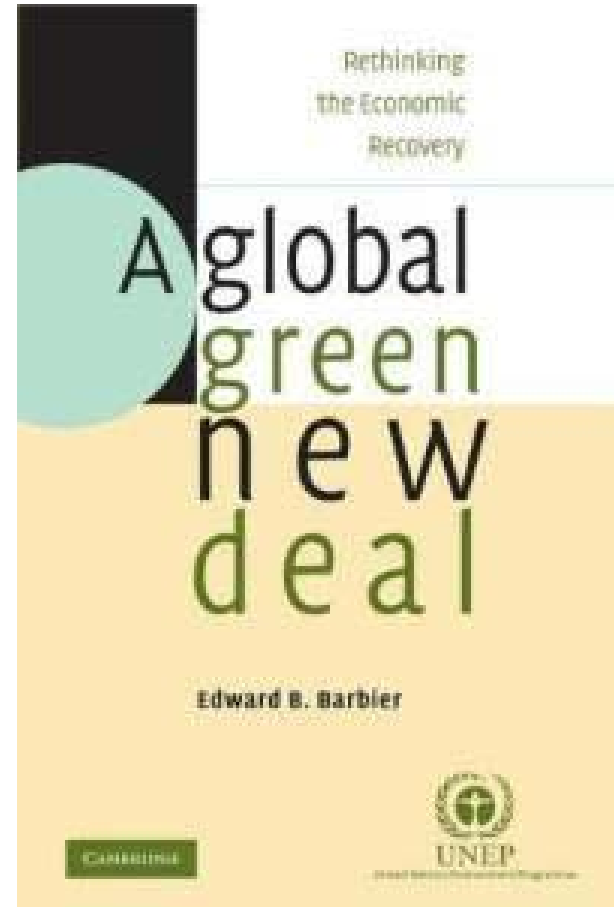
These areas are seemingly disparate but actually interact with each other in forceful ways to reflect major structural imbalances between finance and the real economy;; between the higher income and developing economies; between the human economic system and the earth’s ecosystems” (Ghosh and Gallagher 2010)

The Triple Crisis - II

“The global economy is [experiencing] profound change. The immediate concern is the **financial crisis**, originating in the North. The South is affected via reduced demand and lower export prices, reduced private financial flows, and falling remittances. This is the first crisis. Simultaneously, **climate change** remains unchecked, with growth in greenhouse gas emissions exceeding previous estimates. This is the second crisis. Finally, **malnutrition and hunger** are on the rise, propelled by inflation in global food prices. This is the third crisis. These crises interact to undermine the prosperity of present and future generations” (UNU-WIDER 2010)

UNEP 2011

- The last two years have seen the idea of a “green economy” float out of its specialist moorings in environmental economics and into mainstream policy discourse.
- It is found increasingly in the words of heads of state and finance ministers, in G20 communiqués, and discussed in the context of sustainable development and poverty eradication



UNEP on the Green Economy

- A GE results in *improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. In its simplest expression, a green economy can be thought of as one which is low carbon, resource efficient and socially inclusive.*
- Growth in income and employment should be driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services. These investments must be catalysed and supported by targeted public expenditure, policy reforms and regulation changes.
- The development path should maintain, enhance and, where necessary, rebuild natural capital as a critical economic asset and as a source of public benefits, especially for poor people whose livelihoods and security depend on nature.

Green New Deal

- A floating signifier, narrated as capitalism's best hope to create jobs, restore growth, and limit climate change
- A potentially hegemonic strategy to exit the crisis that can be translated into strategies on many sites and scales and that has been inflected in different ways
- Compatible with different theoretical paradigms and policy paradigms and offering a focal point for strategic essentialism
- Also poses a risk because of its potential incoherence and/or vulnerability to capture by the most powerful economic and political forces

There are Many Meanings of GND ...

| | | | | | | | |
|------------------------------|----------|---|------------------|---|--------------|---|--------|
| Green <i>Realpolitik</i> | New Deal | + | Green Investment | + | Social Model | + | Growth |
| Green funda- mentalism | New Deal | - | Green Investment | + | Social Model | - | Growth |
| Nothing Green | New Deal | - | Green Investment | - | Social Model | + | Growth |
| GND Beyond Capitalism | New Deal | + | Green Investment | + | Social Model | - | Growth |

Source: based on Elmar Altvater (2010)

Green New Deal = 'No Growth'?

- GND is imaginative extension of the 1980s-1990s KBE paradigm – one that was sidelined but not negated by the rise of a finance-led accumulation that reflected the interests of financial rather than industrial capital.
- It could become nodal point for synthesising productive and financial 'concepts of capital', narrated as capital's best hope to create jobs, restore growth, save earth
- Could it also point to a Global Green New Deal beyond capitalism – a no-growth economy – that addresses the inherited and continuing "North-South" divides?

No-Growth Economy

| Basic Form | Primary Aspect | Secondary Aspect | Key Institutional Fix | Spatio-temporal fix |
|------------------------|--|---|---|--|
| 'Capital' | Low carbon economy, capital as commons | Capital possessed by coops | Solar solidarity economy, oriented to allocative and distributive justice | Local and slow but with appropriate forms of glocal redistribution |
| Enterprise Form | Not for profit, innovation-led, Schumpeterian | Solidarity to limit 'race to bottom' and its fall-out | Embedded cooperation (cf. Mondragon) | No-growth or slow growth |
| (Social) wage relation | Source of demand (with green recovery) | Reduction of material (especially carbon) costs | Flexicurity for full employability but with new work-life balance | Controlled forms of labour mobility tied to global justice |
| State | Policies for innovation-led sustainable growth | Promotes social economy and fair competition | Neo-communitarian Schumpeterian Workfare Post-National Regime | Multi-scalar meta-governance (e.g., open method of coordination) |

Risks of GND

- Does growing appeal of ‘Green New Deal’ as an economic and ecological imaginary indicate a feasible alternative exit from GFC or is it a temporary ideological reflection of the ‘triple crisis’?
- Risk that GND gets re-contextualized and re-appropriated on neo-liberal lines (e.g., cap and trade) rather than challenging economic logic that has created triple crisis
- ‘Zombie’ neo-liberalism has been colonizing GND, turning it into a ‘nothing Green’ strategy
- It could also be part of a new imperial strategy whereby the North maintains its living standards by paying for slower growth in ‘dependent south’

Neo-Liberal Inflections

- Nature's labour power — flows of 'natural services'
 - Forests do complex work to remove carbon from the air
 - Rainforest ecosystem preserves important biodiversity repository
 - Wetlands prevent costly natural disasters (e.g., buffering floods).
- Nature's everyday services are 'green' capitalist's dream. Not yet priced or traded, they are vast untapped realm of value and profit, desperately needed to rescue economy
 - Programmes like REDD are measuring and inventorying every forest on the planet in readiness for opening global market
- Green capitalist agenda begins with commodifying global carbon cycle but aims deeper: commodifying, privatizing nature as whole to create new world 'green economy'

Conclusions - I

- No simple exit from the “triple crisis”, which is multi-dimensional, multi-scalar, multi-temporal, multi-causal, and, despite its ever clearer (to many) manifestations, hard to model and translate into policy solutions
- The basis for a solution to the triple crisis must be a new economic and ecological imaginary that matches the dimensions of the crisis and a set of robust, well-resourced measures that depend on a solidarity economy linked to a break with finance-dominated accumulation and a strategic commitment to a no-growth development path
- Two key dimensions:
 - redistribution within and across the North and global South;
 - intergenerational justice.

Conclusions - II

- Need for “romantic public irony”
 - Choose your mode of failure
 - Choose wisely
 - Choose to fail collectively
 - This will reduce the chances of failure
- There are many examples of practical collective solutions based on solidary economy: these practical utopias need to be explored, generalized, and protected

An Alternative Irony



Only after the last tree has been
cut down

Only after the last river has been
poisoned

Only after the last fish has been
caught

Only then you will find out that
money cannot be eaten