

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

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UNRISD 10-11 Oct 2011

Abstract

- The GFC is one of a larger set of crises in the world market and world society. This larger set is sometimes called a “triple crisis”: financial, energy, & environmental.
- Even this wider term neglects issues of food security, the crisis of US hegemony, and global governance failures
- One solution proposed to the triple crisis is a “Green New Deal” pursued at different scales to address this interconnected series of crises and governance problems
- The GND has potential but is being tied to a neo-liberal agenda. It would be better linked to a no-growth agenda

Outline

- Reading the Crisis: Competing Paradigms
- Economic vs Ecological Imaginaries
- Strategic Essentialism
- The “Triple Crisis”
- Mapping Economic Growth Regimes
- The Knowledge-Based Economy
- Finance-Dominated Accumulation
- The Global Financial Crisis
- What follows the GFC?
- The [Global] Green New Deal
- Variants of the GND
- The No-Growth Economy
- Practical Utopias
- Concluding Remarks

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, ...

Social Imaginary

- Social 'imaginary' denotes cognitive and emotional frames of different social forces (e.g., groups, networks, social movements, organizations) that orient their social life
- It Involves selective observation of real world, reliance on specific codes and programmes, deployment of particular categories and forms of calculation, sensitivity to specific structures of feeling, reference to particular identities, justification in terms of particular vocabularies of motives, efforts to calculate short- to long-term interests, etc
- It involves shared 'lived experiences' plus their *material supports* in social practices, technologies, institutions

Contested Social Imaginaries

- Imaginaries are not pre-given mental categories but creative products of semiotic *and material* practices that have more or less performative power
- They have central role in struggle not only for ‘hearts and minds’ but also over exploitation and domination
- Social forces try to make one or another imaginary the hegemonic or dominant ‘frame’ in particular contexts and/or to promote complementary or opposed imaginaries. Success may lead to a historical bloc
- Such struggles are realized via semiosis, structuration, particular technologies, and specific agents

Economic Imaginaries

- The 'actually existing economy' is the chaotic sum of all economic activities. As such, it cannot be an object of economic observation, calculation, management, governance, or guidance
- Even if treated as real, *the* 'economy' is inevitably an imaginatively narrated, more or less coherent *subset* of all economic activities
- This selectivity may assist successful economic steering when it has requisite variety and is reflexive – but it can also lead to steering failure due to the 'revenge' of what has been ignored

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)

Triple Crisis – III



A Green New Deal

Joined-up policies to solve the triple crunch of the credit crisis, climate change and high oil prices

The first report of the Green New Deal Group

- GND may resolve credit crisis through new forms of taxation
- GND may resolve climate change through investment in green infrastructure and jobs
- GND may resolve high oil prices by investing in renewables and energy-saving measures

A Theoretical Detour

- To see what is at stake in thinking about the GND or no-growth economies as feasible economic regime, I make a theoretical detour through capitalism, its foundational contradictions and dilemmas, and potential fixes
- The next slides present key economic categories to prepare the ground for defining a no-growth regime
- They also present Atlantic Fordism as an accumulation regime that encountered its own ecological limits in the 1970s and indicate how these limits were ignored in the search for an exit strategy. This problem survives today

A Marxian View of 'Capitalism'

- **Wealth** appears as immense accumulation of **commodities**
- **Commodity form** generalized to **labour-power** (which is a fictitious commodity but treated **as if** it were a commodity)
- Duality of labour-power as **concrete labour** and **labour time**
- A political economy of **time** (note especially the constant rebasing of *abstract time* → treadmill effects)
- Key role of **money** as social relation in mediating **profit-oriented, market-mediated** accumulation process
- Essential role of **competition** in dynamic of capitalism
- Market mechanism **cannot** secure all conditions of capitalist reproduction (even ignoring labour process)

Some foundational contradictions

	Value Aspect	Material Aspect
Commodity	Exchange-value	Use-value
Labour-power	Abstract labour	Concrete skills
Wage	Cost of production	Source of demand
Money	Interest-bearing capital International currency	Measure of value National money
Productive capital	Abstract value in motion	Stock of specific assets
State	“Ideal collective capitalist”	Factor of social cohesion
Knowledge	Intellectual property	Intellectual commons

Significance of contradictions

- These (and other) contradictions are incompressible but their weight varies across stages and ‘varieties’, posing different sets of régulation and governance problems
- Contradictions → dilemmas → attempts to ‘fix’ both
 - For example, does State treat (social) wage mainly as source of demand → Keynesian welfare;
 - as cost of [international] production → neoliberal austerity;
 - or both → flexicurity?
- How contradictions are handled shapes subsequent crises but these do *not* determine subsequent spatio-temporal fix(es), which depend on path-shaping initiatives and new accumulation challenges at different scales

Historical Institutionalism or Form Analysis?

- Historical institutionalism allows distinctions among forms or stages of capitalism and facilitates historical-comparative studies of capitalist societies
- Institutional complementarities and micro-foundations can explain relative stability of specific VoCs (up to a point)
- Institutionalism can't explain *generic* features of capitalism, ignores roots of crisis in basic contradictions of capital relation → instability of any institutional, spatio-temporal fix
- Mid-range analyses also ignore generic constraints rooted in *self-organizing dynamic* and *contingent dominance* of profit-oriented, market-mediated principle of societal organization (*Vergesellschaftung*)

Regulation-Theoretical Concepts

Accumulation regime : a complementary pattern of production and consumption that is reproducible over a long period;

Mode of regulation: emergent ensemble of norms, institutions, organizational forms, social networks, and patterns of conduct that can temporarily stabilize an accumulation regime despite conflictual and antagonistic nature of capitalist social relations

- **Wage relation:** labour markets, individual and social wages, life styles
- **Enterprise form:** internal organization, source of profits, forms of competition, ties among enterprises and/or banks
- **State:** institutionalized compromise between capital and labour, forms of state intervention
- **Money:** form and emission, banking and credit systems, allocation of capital to production, national currencies and world monies, and monetary regimes
- **International regimes:** trade, investment, monetary, and political arrangements that link national economies, nation states, and world system

Elaborating the Concepts

- Basic Structural Forms
 - constructed-reproduced through semiosis and institutionalization
 - forms can be analysed as relations of domination
 - forms problematize functions
- Institutions
 - ensembles of social practices that are regularly and continuously repeated, that are linked to defined roles and social relations, that are sanctioned and maintained by social norms, and that instantiate basic structural forms, thereby having key role in social formation
- Institutional instantiation
 - specific organizations, routinized practices, etc.

Institutional Fixes

- Institutional fix: complementary set of institutions that, via institutional design, imitation, imposition, or chance evolution, offers provisional, partial, and relatively stable solution to co-ordination problems involved in economic, political, or social order (e.g., an accumulation regime)
- Historical institutionalism often proposed as suitable for analysing genesis of institutional fixes and their effects
- In strategic-relational terms, institutions have specific biases, favouring some actors, alliances, identities, interests, projects, spatio-temporal horizons, etc

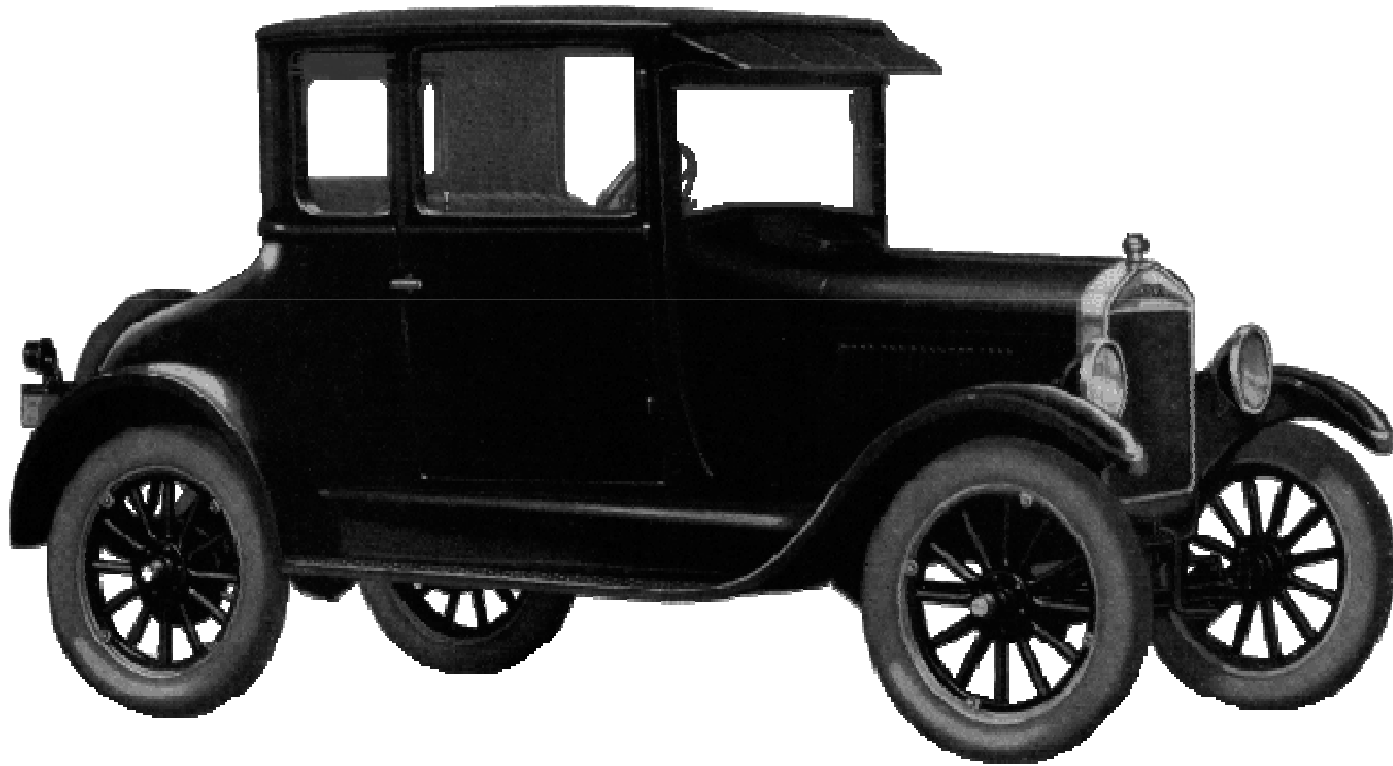
Spatio-Temporal Fixes ...

- ... set spatial and temporal boundaries within which the always relative, partial, and provisional structural coherence (and, so, institutional complementarities) of given regime are secured;
- ... externalize material and social costs of securing such coherence beyond spatial, temporal, and social boundaries of fix by displacing them elsewhere and/or deferring them.
- Even within these boundaries, we find that some classes, class fractions, social categories, or other social forces located within these spatio-temporal boundaries are marginalized, excluded, or subject to coercion.

Accumulation Regimes, Modes of Regulation

- Petit (1999) suggests that one of the RA's five structural forms will predominate in each period and shape its institutional dynamics. This provides a general grid to define broad features of a post Fordist regime.
- No sound reason to assume only one structural form will dominate and it's unclear what dominance means; I build on Petit's insights and combine them with Althusser's ideas on the materialist dialectic (Althusser 1977).
- I propose that accumulation regimes and their modes of regulation can be distinguished in terms of, *inter alia*, the principal contradictions and their primary and secondary aspects when they are *en régulation* and, later, in crisis

Fordism



Atlantic Fordist STF

Basic Form	Primary Aspect	Secondary Aspect	Key institutional fixes	Spatio-temporal fix
(Social) wage relation	Demand	Cost	Keynesian state + rising productivity	Creation of National Economies
Money	National Money	International currency	Keynesianism + Bretton Woods and role of USD	Managing International Relations
State	Social Cohesion	Economic Intervention	Welfare state + spatial planning	National state and local space
Capital	Productive capital = stock of assets for valorization	Money as most abstract expression of capital	Reinvested Fordist profits + financing of consumption	Circuits of Atlantic Fordism

Explanation

- Principal structural forms are **wage relation** and **money**, others are complementary when Fordism is stable
- Primary aspect of wage in Fordism *en régulation* was as **source of demand**, primary aspect of **money was national**
- Secondary aspect of wage handled via Fordist productivity increases, secondary aspect of money via BW institutions
- Spatio-temporal fix depended on embedding of Fordism in national and international order
- Crisis emerges when internationalization and other spatio-temporal changes invert primary and secondary aspects of contradictions, undermining dominant institutional fixes

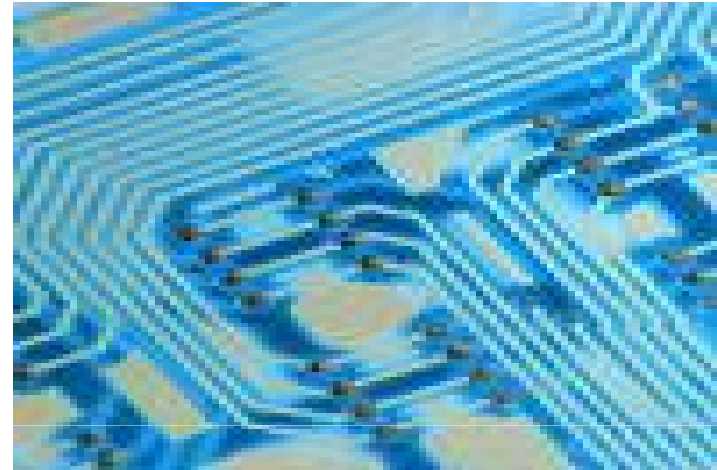
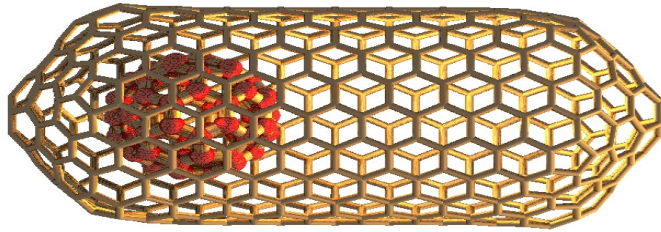
Atlantic Fordist Crisis

Basic Form	Primary Aspect	Secondary Aspect	Key Institutional Crisis	Spatio-temporal fix
(Social) wage relation	Cost	Demand	Internationalization changes role of (social) wage	Crisis of national crisis management routines
Money	International currency	National Money	Breakdown of Bretton Woods, change in USD	Crisis in international regimes
State	Social exclusion, new social movements	Increasing economic intervention	Fiscal, rationality, legitimacy, and hegemonic crises	Declining power of national states
Capital	Money as most abstract expression of capital	Stock of fixed assets valorized in specific time-place	Disruption of Fordist circuits	Atlantic Fordism

After Fordism

- These tables show (a) how Atlantic Fordism *en régulation* was organized; (b) how its typical configuration was disorganized as primary and secondary aspects were reversed, creating crisis in Atlantic Fordist growth regime
- Unlikely this crisis can be solved by refocusing regulation on previously secondary aspects of contradictions
- As Petit notes, new regimes are more likely to be linked to primacy of other forms/contradictions
- So we must consider other configurations that might be potentially (performatively) organic to emerging order

The Knowledge-Based Economy



The Knowledge-Based Economy - I

- KBE: a strategic concept that has been shaping business, government, and quality of life
- Involves production, management, distribution, and use of knowledge as key driver of economic growth, wealth generation, and job creation across the private, public, and 'third' sectors
- In a true KBE, knowledge is applied reflexively to the production of knowledge and most sectors tend to become more knowledge-intensive

Knowledge-Based Economy - II

- KBE discourse can be translated into many visions and strategies (e.g., smart machines, expert systems, knowledge transfer, creative industries, IPRs, lifelong learning, e-government, smart weapons, information society, cybercommunity)
- It applies at many scales (firms, organizations, cities, regions, nations, supra-national regions, transnational institutions, etc)
- KBE has neo-liberal, neo-corporatist, neo-statist, neo-communitarian variants
- Its fuzziness facilitates alliances and institutionalized compromise

The Knowledge-Based Economy - III

- KBE also has a material basis that gives it an organic (performative) potential
 - The next long wave ...
 - Information and communication technologies
 - Reflexive application of knowledge to the production of knowledge
 - Rescaling and the world market
 - New forms of competitiveness
- But this potential does not guarantee hegemony of KBE: finance-dominated accumulation prevailed in neo-liberal regimes

Knowledge-Based Economy

Basic Form	Primary Aspect	Secondary Aspect	Key Institutional Fix	Spatio-temporal fix
Capital	Valorization of knowledge- and design-intensive capital	Capital as intellectual property	Competition state plus IPR regimes (with risk of creating anti-commons)	Knowledge-intensive clusters, cities, regions
Form of competition	Innovation-led, Schumpeterian competition	'Race to bottom' and fall-out from creative destruction	Increased role of global trade regimes, IP regimes, network economy	Neo-mercantilism at different scales as basis for global expansion
(Social) wage relation	Production cost (even for mental labour)	Source of demand	Flexicurity for full employability, aiding demand and global competitiveness	Controlled forms of labour mobility, globalized spatial division of labour
State	Competition state oriented to innovation-led growth	'Third Way' as a flanking and supporting mechanism	Schumpeterian Workfare Post-National Regime	Multi-scalar meta-governance (e.g., open method of coordination)

Whatever happened to the KBE?

- KBE imaginary favours productive capital but has been endorsed *rhetorically* in different varieties of capitalism
- In liberal market economies, KBE was limited by roll-back neo-liberalism (more Ricardian than Schumpeterian) and blind faith in market forces as driver of innovation
- In these economies, finance-dominated accumulation (privileging *financial innovation*) prevailed over more productivist KBE, reflecting money concept of capital
- Financialization (furthered by neo-liberalism, unusual deals with political authority, cheap money, speculation, and Ponzi schemes) prepared ground for financial crisis

Finance-Dominated Accumulation



Finance-Dominated Accumulation

Basic Form	Primary Aspect	Secondary Aspect	Key Institutional Fix	Spatio-temporal fix
Capital	Fast, hyper-mobile money (growth of derivatives) as general form	Valorization of capital as fixed asset in specific time-place	De-regulation of financial markets, state targets price stability, not jobs	Free trade without national or regional state controls; grab future values
(Social) wage relation	Private wage plus credit as source of demand	Social wage as (global) cost of production	Numerical and time flexibility; new forms of credit	International regulatory race to the bottom
State	Lean <i>Ordoliberal</i> state tied to neo-liberal regime shift	Role of flanking policies to win legitimacy plus tough discipline	'Free market + strong state' (authoritarian statism)	Intensify uneven development at many sites and scales
Global regime	Create space of flows for all forms of capital	Address uneven development, adapt to new economic powers	Washington Consensus regimes, including K4D	Centre-periphery relations tied to US hegemony and its relays

Explanation - I

- Tables show two alternative post-Fordist growth scenarios, with their corresponding principal structural forms and respective complementary forms, if they are to be *en régulation*
- Two principal forms in KBE are capital and competition, in finance-dominated accumulation, they are money and
- While KBE seeks to valorize knowledge, emphasis on IPR should be secondary; competition
- Spatio-temporal fixes depend on embedding of KBE in multi-scalar knowledge society, on embedding of finance-dominated accumulation in *Ordoliberal* framework
- Both growth regimes likely to be less stable in practice than Atlantic Fordism because they co-exist and it is correspondingly harder to secure their respective forms of embedding

Explanation - II

- Principal structural forms are **money** and **(social) wage relation**, others are subordinated to these
- Primary aspect of money is **(world) money as abstract expression of capital in space of flows**, primary aspect of (social) wage is **cost of production**
- Secondary aspect of money (real assets) treated via neo-liberal policy **boost to post-tax profits**, secondary aspect of (social) wage relation handled via **private credit** and **lean welfare state**
- Spatio-temporal fix depends on '**embedded neo-liberalism**' tied to new, disciplinary constitutionalism
- Crisis emerges when **(il-)logic of neo-liberalism** resurfaces after short-term boost from accumulation through dispossession

Explanation - III

- KBE and finance-dominated tables show two alternative post-Fordist growth scenarios, with their corresponding principal structural forms and respective complementary forms, if they are to be *en régulation*
- Two principal forms in KBE are capital and competition, in finance-dominated accumulation, they are money and
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- Both growth regimes are likely to be less stable than Fordism because they co-exist and it is correspondingly harder to secure their respective forms of embedding

The Global Financial Crisis



Finance-Dominated Regimes in Crisis

- Global financial crisis emerged directly from “capitalist speculation and finance” rather than from a specific type of “free trade in markets and capitalist production”
- It was enabled by “unusual deals with political authority” (de-regulation of finance via legal changes and regulatory capture) and “predatory political profits” (tax cuts for rich, welfare cuts, privatization, “disaster capitalism”)
- But it has specific form due to *hyper-financialization* of advanced neo-liberal economies and, in particular and most immediately, practices of de-regulated, opaque, and sometimes fraudulent financial institutions

Putting the GFC in its place - I

- Whether via endogenous causes, specific vulnerabilities, or contagion, a crisis made in the USA has spread globally
- It is nonetheless concentrated in some economies, where it is taking a distinctive form (to be explored below)
 - liberal market economies with neo-liberal regime shifts (e.g., US, UK),
 - other varieties of capitalism that had de-regulated finance (e.g., Iceland, Ireland),
 - post-socialist states that embraced neo-liberalism and also de-regulated finance excessively (e.g., Baltic republics)
- It has spread via contagion through world market – but via distinct, not generic, economic and political mechanisms

Putting the GFC in its place - II

- Five sets of crises are crucial contextually (in order of importance)
 - Global environmental crisis (plus energy, food, water)
 - Crisis of US hegemony within post-1975 global order
 - Crisis of neo-liberalism as economic and state project
 - Crisis of finance-dominated growth regimes
 - Crisis in particular strategic sectors (e.g., automobiles)
- These are superimposed on more local (regional, national, sub-national regional, local crises) and other types of crisis (fiscal, rationality, crisis in crisis-management, legitimacy, organic, etc.)
- A key question for crisis theories and crisis responses is their adequacy to 'objective' nature of the GFC *in its wider context*

Epic Recession

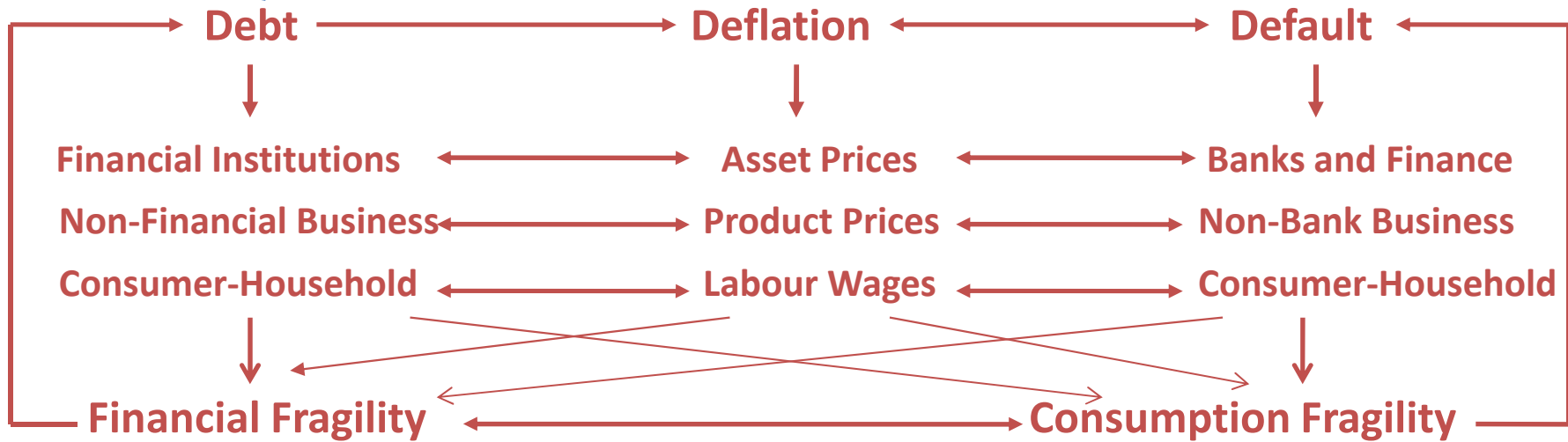
- Rasmus (2010) distinguishes normal recession, epic recession, and great depression; GFC has generated an epic recession in *some* (not all) advanced economies
- Normal recession (whether rooted in production and/or monetary crisis) turns into epic recession through vicious interaction among debt, default, deflation
- Debts that cannot be settled produce default, distressed selling to settle other debts leads to deflation, default and deflation aggravate situation of debtors, and so on
- Whether epic recession then leads to great depression depends on wider conjuncture and policy responses

Fundamental
Forces and
Relations of "Epic
Recession"

Global Liquidity Explosion

Global Money Parade

Speculative Investing Shift



Declining Real Economic Indicators

Real Asset Investment
Industrial Production

Household Consumption
Employment

Global Trade and Exports
....

Derived from Rasmus , 2010: 16

Cui bono, cui malo?

- Global financial crisis removed environmental issues, food and fuel crises from policy agenda
- Crisis in finance-dominated accumulation blamed on weak regulation with preferred policy fix aiming to restore neo-liberal momentum
- Crisis management is occurring under neo-liberal legacies
- Global environmental crisis has risen up agenda in guise of 'Green New Deal' as basis for longer-term exit strategy
- As it has gained prominence, however, struggle to inflect it in neo-liberal direction has increased (e.g., cap-and-trade)

Beyond the Current Crisis

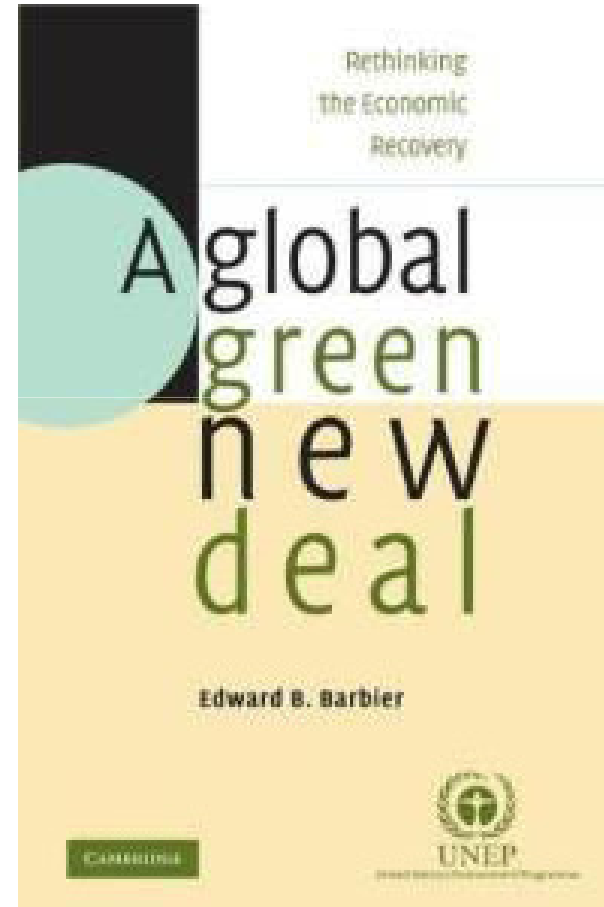
- The GND rests on economic and ecological imaginaries (and, ideally, political ecology)
- In contrast to solutions that fetishize growth as the exit strategy from the current financial and sovereign debt crises (and their debt-deflation-default deleveraging dynamics), GND implies:
 - *quantitative* restraints on growth
 - transformation in *quality* of growth
 - Geographic, social, and generational redistribution of growth
- It has also been linked, in some cases, to “no-growth” strategies

Green New Deal



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

Scope of the GND

- Fields include
 - technology (eco-technologies, energy efficiency),
 - productive economy (green collar jobs, sustainable development, ecological modernization, low carbon economy),
 - financial system (cap and trade, carbon trading, green bonds, sustainable investing),
 - law (environmental rights, new legal regimes),
 - politics (the green movement, climate change),
 - religion (environmental stewardship), and
 - self-identities (homo virens, green lifestyle).

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 (esp 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)

Elucidation

- This matrix pushes at limits of preceding approach as it stretches meaning of economic categories (structural forms) studied in regulationist analyses
- The economic imaginary in Green New Deal must differ in scope and content from its equivalents in Atlantic Fordism, the KBE, and finance-dominated accumulation
- It must also highlight ecology as integral element of an economic imaginary (or refocus on ecological imaginary that includes economic and extra-economic relations)
- This is basis for recuperating and normalizing GND in more mainstream imaginaries or marginalizing it

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'

Strategic Flexibility

- The GND has been translated into many different visions and strategies and can be inflected in neo-liberal, neo-corporatist, neo-statist, and neo-communitarian ways by prioritizing, respectively, market incentives, social partnership, societal steering, and solidarity respectively.
- The very fuzziness of the ‘Green New Deal’ has helped to build alliances and compromises and it is currently being heralded in many quarters as a ‘magic bullet’
- There are also many attempts to neutralize GND, notably from corporate interests tied to energy-intensive industries and market fundamentalist circles

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