

Planning beyond growth. The case for economic democracy within ecological limits



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XIIIe Congrès de l'Association Française d'Économie Politique

4th of July 2024



Planning beyond
growth – politically
irrelevant (and
dangerous)

Market forces are not enough to halt climate change

Investor returns imply that the welfare of future human beings is close to irrelevant

MARTIN WOLF

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Financial Times, 2nd of July 2024

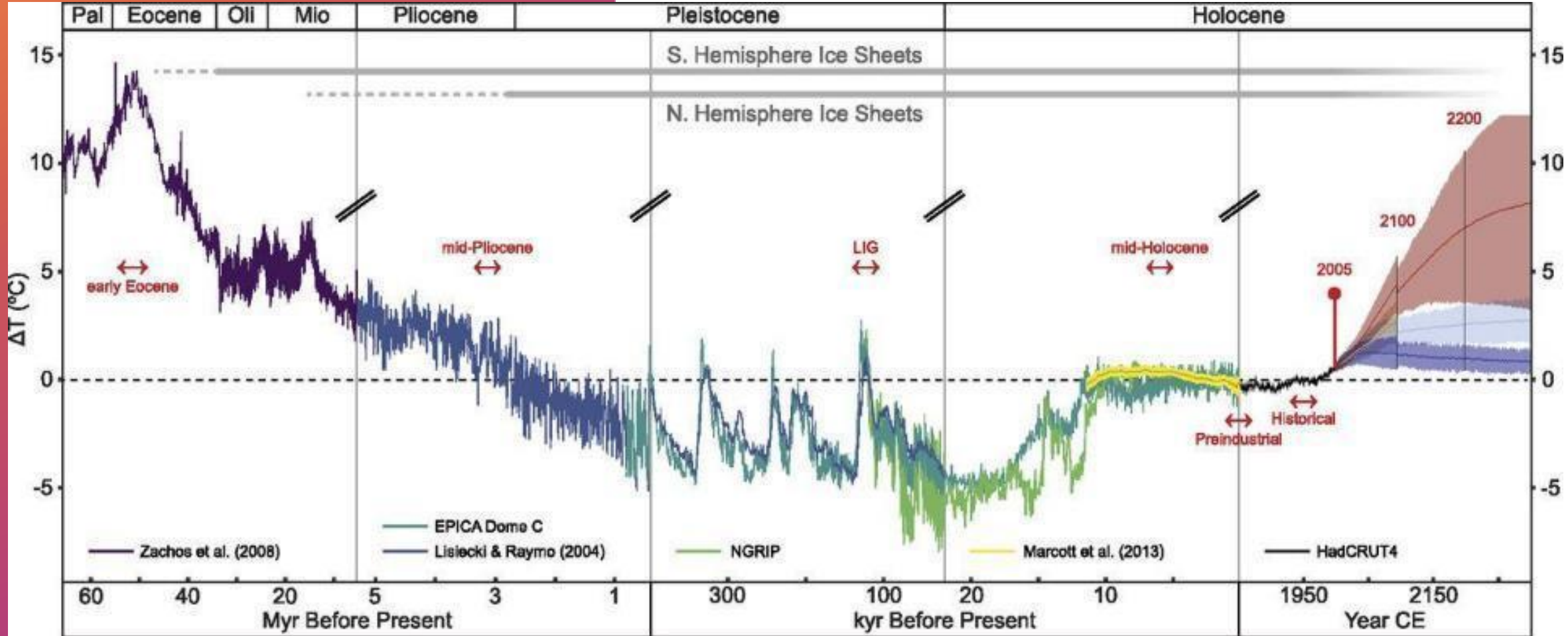
The explanation for this explosive rise in electricity generation is the desire of people and businesses in emerging and developing countries to enjoy the energy-intensive lifestyles of high-income countries. Since the latter have no intention of giving these up, how can they complain? Yes, there exists a politically irrelevant “de-growth” movement. But halting growth, even if it were politically acceptable (which it is not!), would not eliminate demand for electricity. That would require us to reverse the growth of the past 150 years, instead.

The only solution is faster decarbonisation and so greater investment in electricity generated by renewables, nuclear, indeed any source other than burning fossil fuels. But we have to recognise that so far, for all the talk, emissions are not falling and so both stocks of greenhouse gases in the atmosphere and global temperatures are rising.

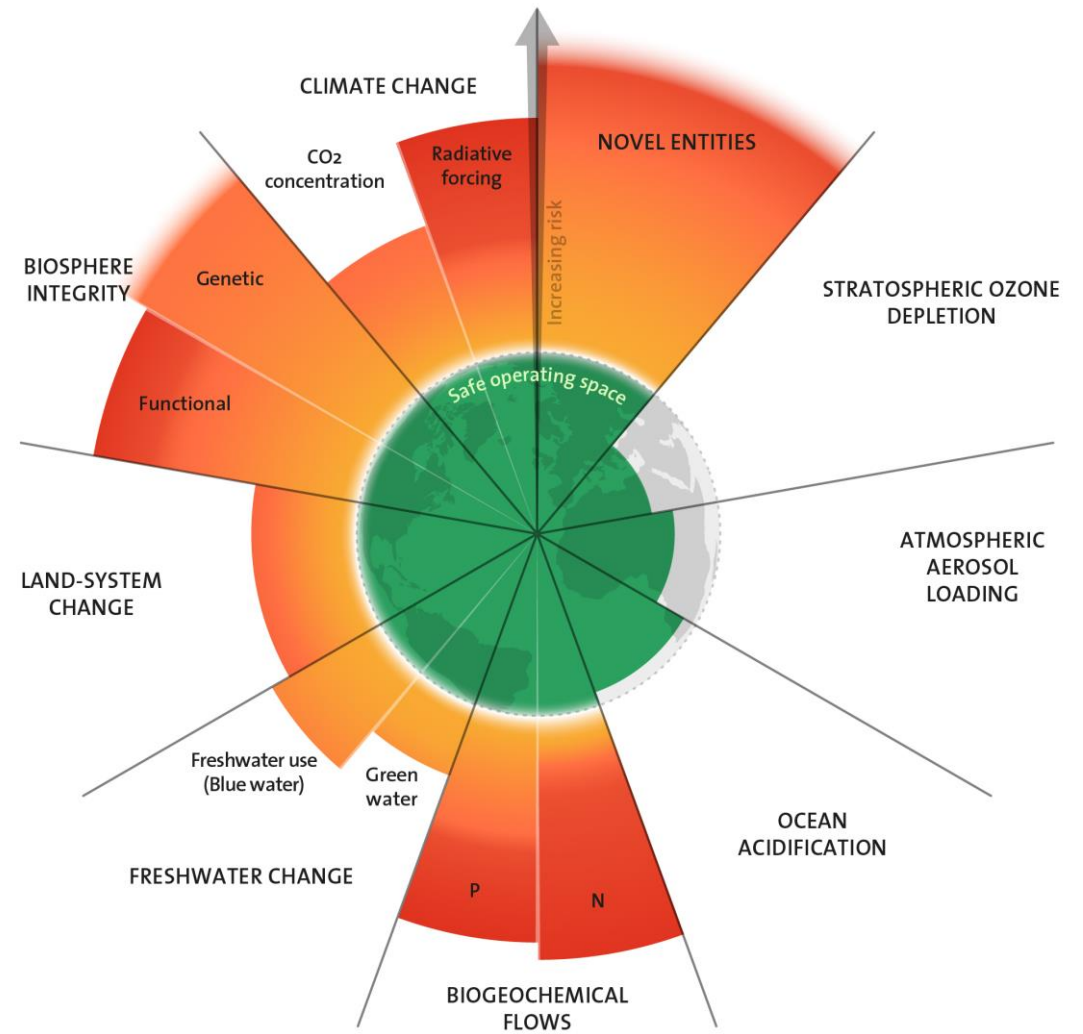
A far more dangerous, because far more politically potent, response to this than that of “de-growthers” comes from their opposites – the free-marketeters and nationalists. This is: “Who cares? Let the fossil-fuel economy rip.”

We are moving towards

“Earth system states far outside our individual, societal, and species’ experience”



The scale and complexity of the ecological crisis



Azote for Stockholm Resilience Centre, based on analysis in Richardson et al 2023, <https://www.stockholmresilience.org/research/planetary-boundaries.html>.

Its connection to multiple past and present inequities and injustices

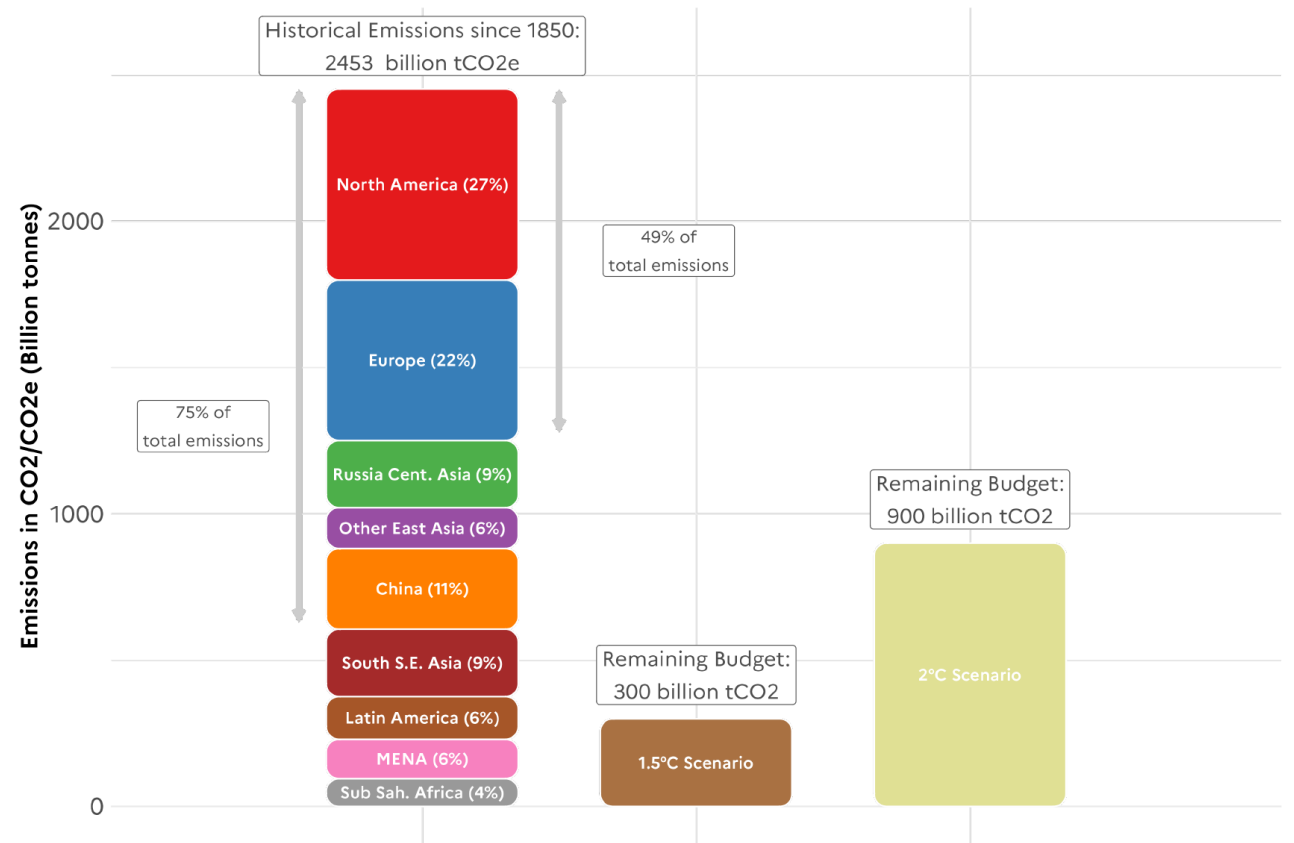


Figure 1: Accumulated historical CO2 emissions vs remaining carbon budgets in 2020

Chancel, Bothe & Voituriez 2023.

Its connection to multiple past and present inequities and injustices

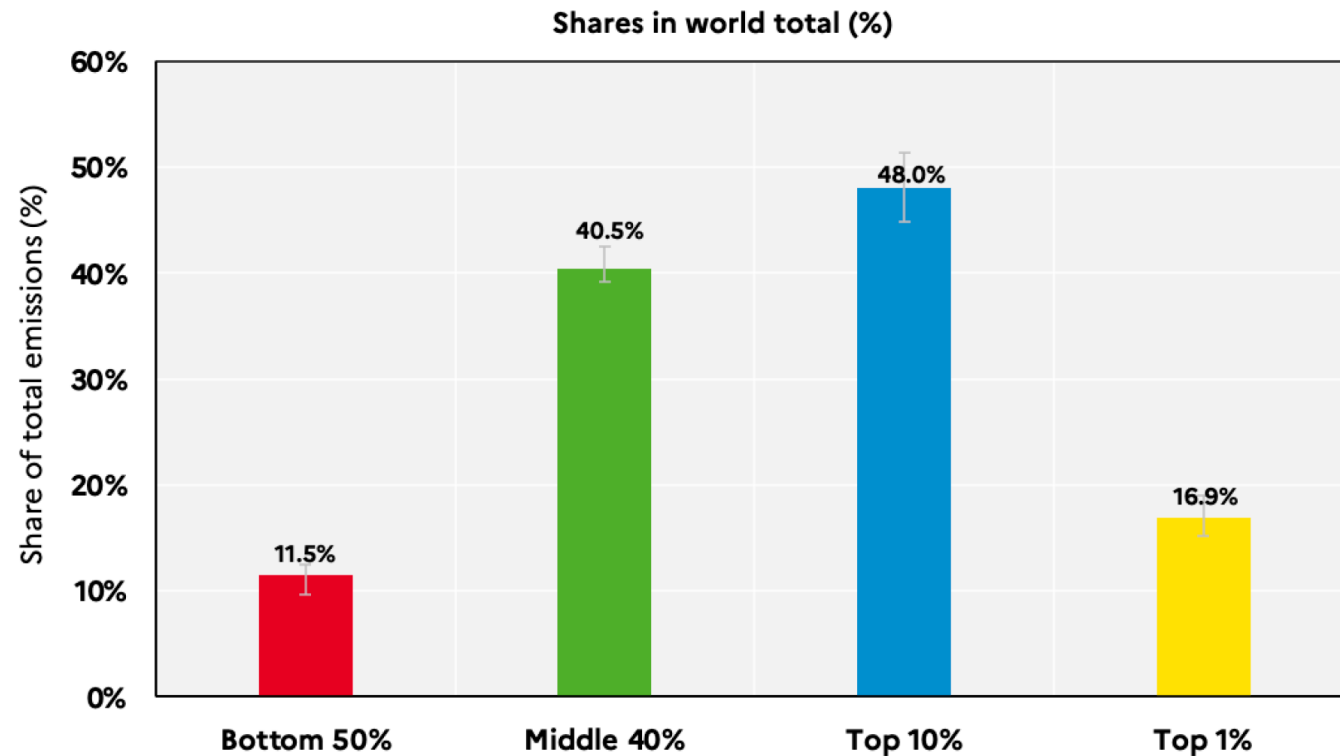
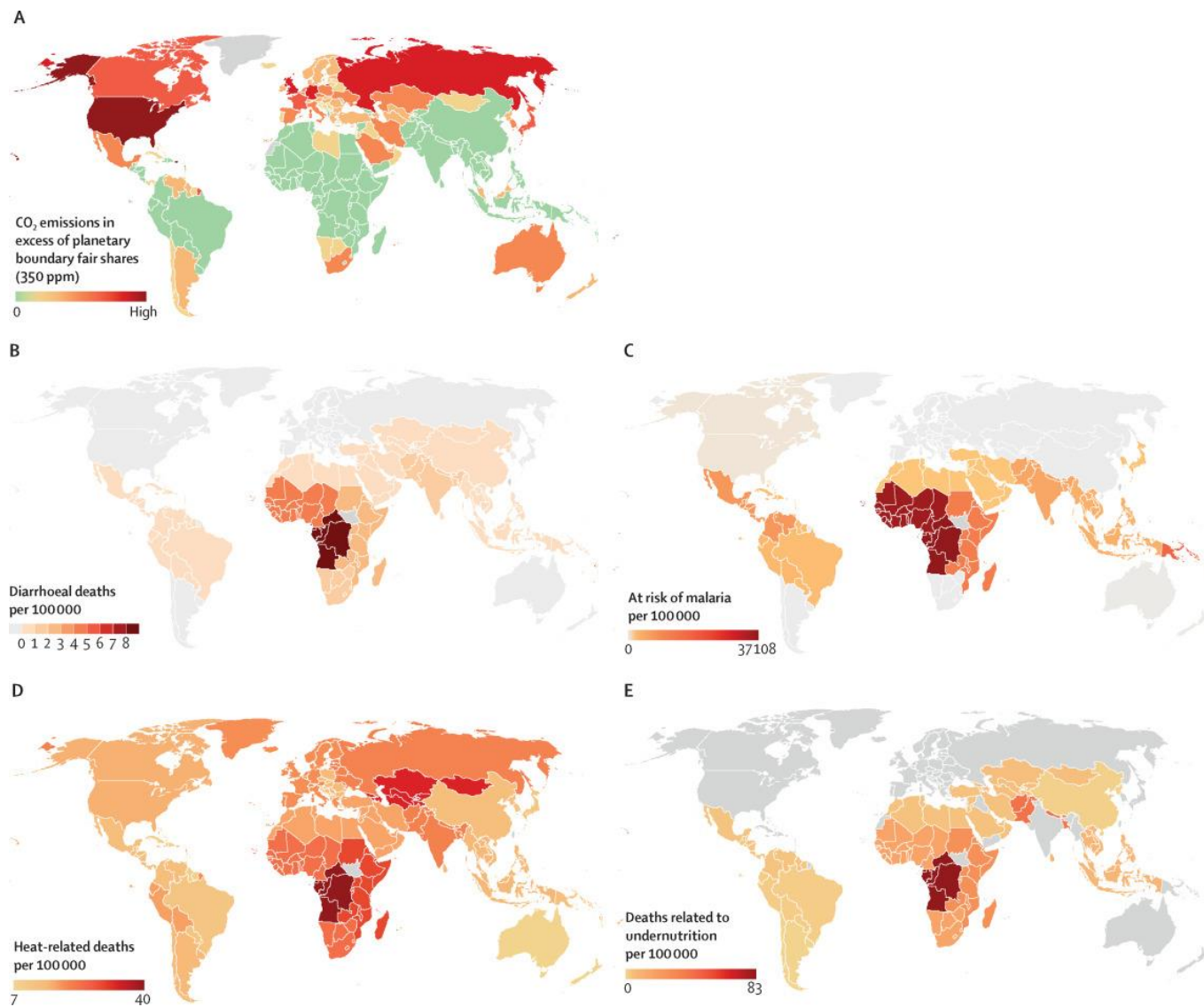


Figure 3: Emissions by global emitter group and shares in world total, 2019

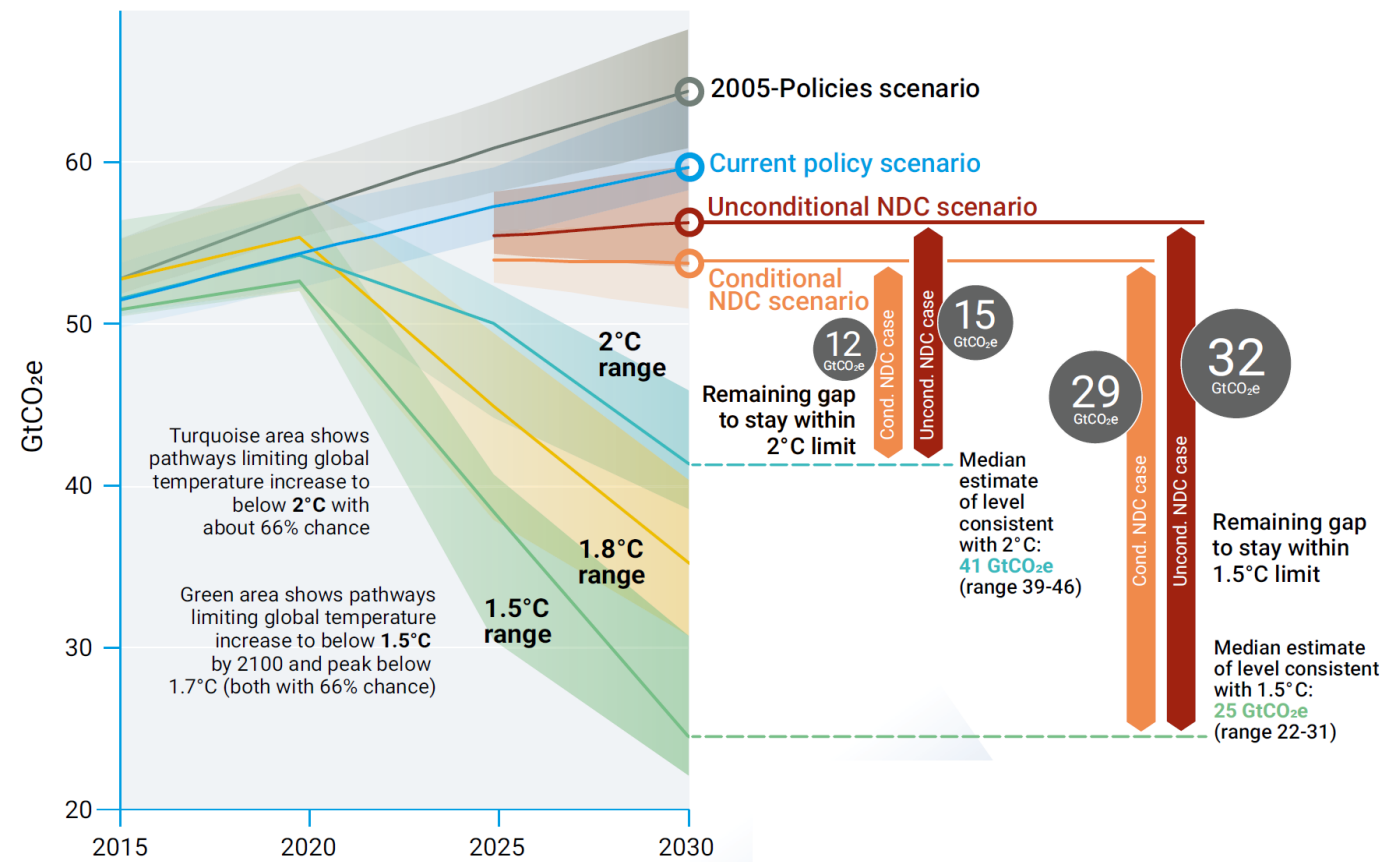
Chancel, Bothe & Voituriez 2023.

Its connection to multiple past and present inequities and injustices



Not on track – the emissions gap

Figure ES.4. Global GHG emissions under different scenarios and the emissions gap by 2030



UNEP 2019.

Debunking decoupling

“(1) there is no empirical evidence that absolute decoupling from resource use can be achieved on a global scale against a background of continued economic growth, and (2) absolute decoupling from carbon emissions is highly unlikely to be achieved at a rate rapid enough to prevent global warming over 1.5°C or 2°C, even under optimistic policy conditions” (Hickel and Kallis 2019)

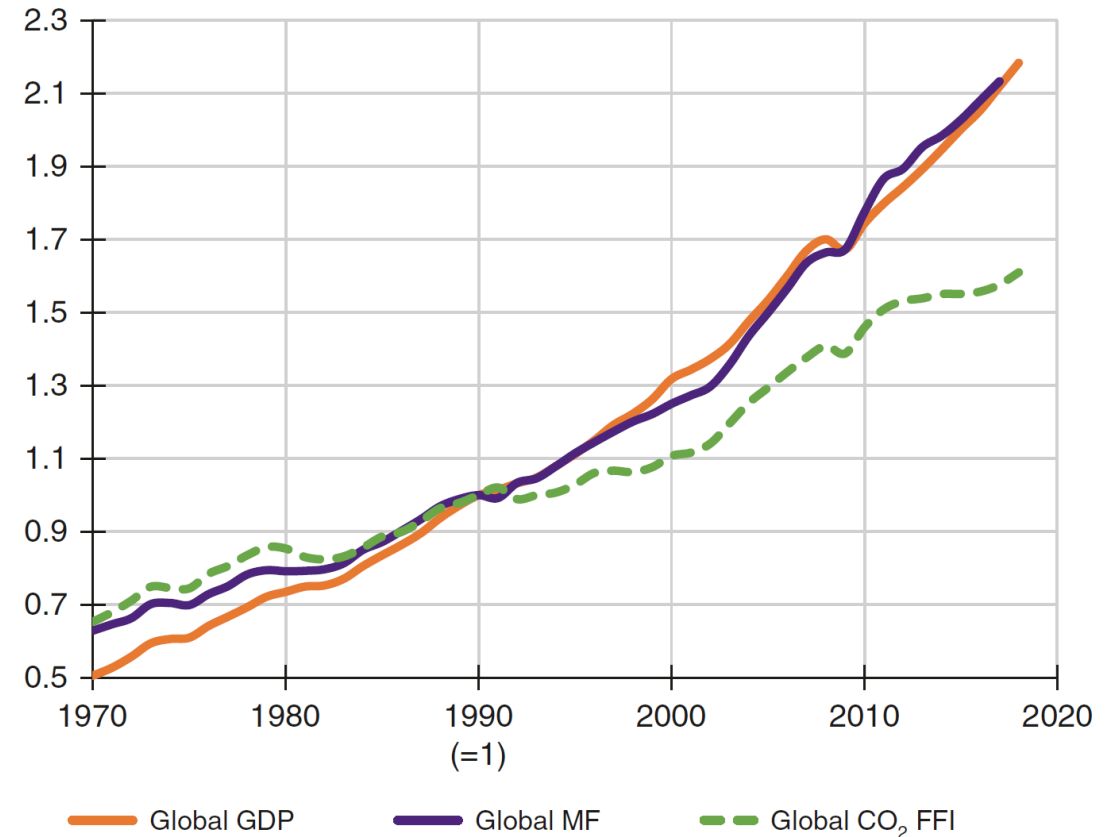


Fig. 1 Relative change in main global economic and environmental indicators from 1970 to 2017.

Wiedmann et al. 2020.

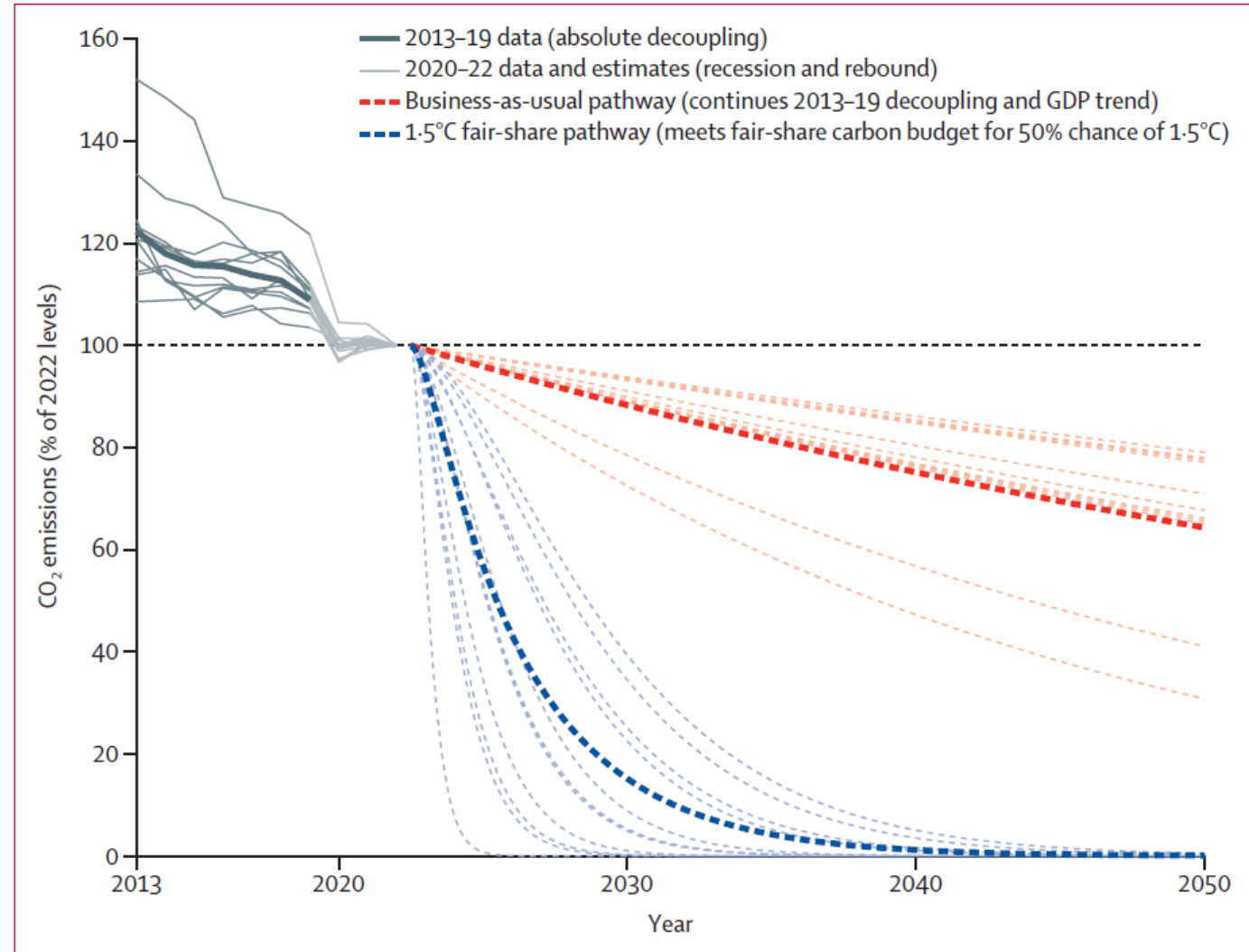


Figure 1: Emission reductions achieved in high-income countries through recent absolute decoupling are highly insufficient for complying with their fair-shares of the 1.5°C global carbon budget

Vogel & Hickel 2023.

The Degrowth/Post-Growth proposal

Targets countries in the Global North

Criticises the hegemony of growth and the primacy of economic growth as a (policy) goal (cf. Büchs and Koch 2017; Lange 2018)

Envisions ‘a *planned* reduction of energy and resource use to bring the economy back into balance with the living world in a way that reduces inequality and improves human well-being’ (Hickel 2021, 1)

e.g. via absolute resource caps, Universal Basic Services, other redistributive measures

‘Planning’ explicit or implicit to PGE but specifics rarely spelled out

Planning – the blind spot in DG/PG Economics

- Three strands of Post-Growth Economics
- Theoretical and methodological differences with political implications
- ➔ Different reasons for neglect of planning
 - i. Steady-State Economics
 - ii. New economics of prosperity
 - iii. Anthropological critiques of growth

Doughnut economics

Respecting ecological ceilings
and satisfying human needs

The missing dimension of the
doughnut: political and
economic institutions

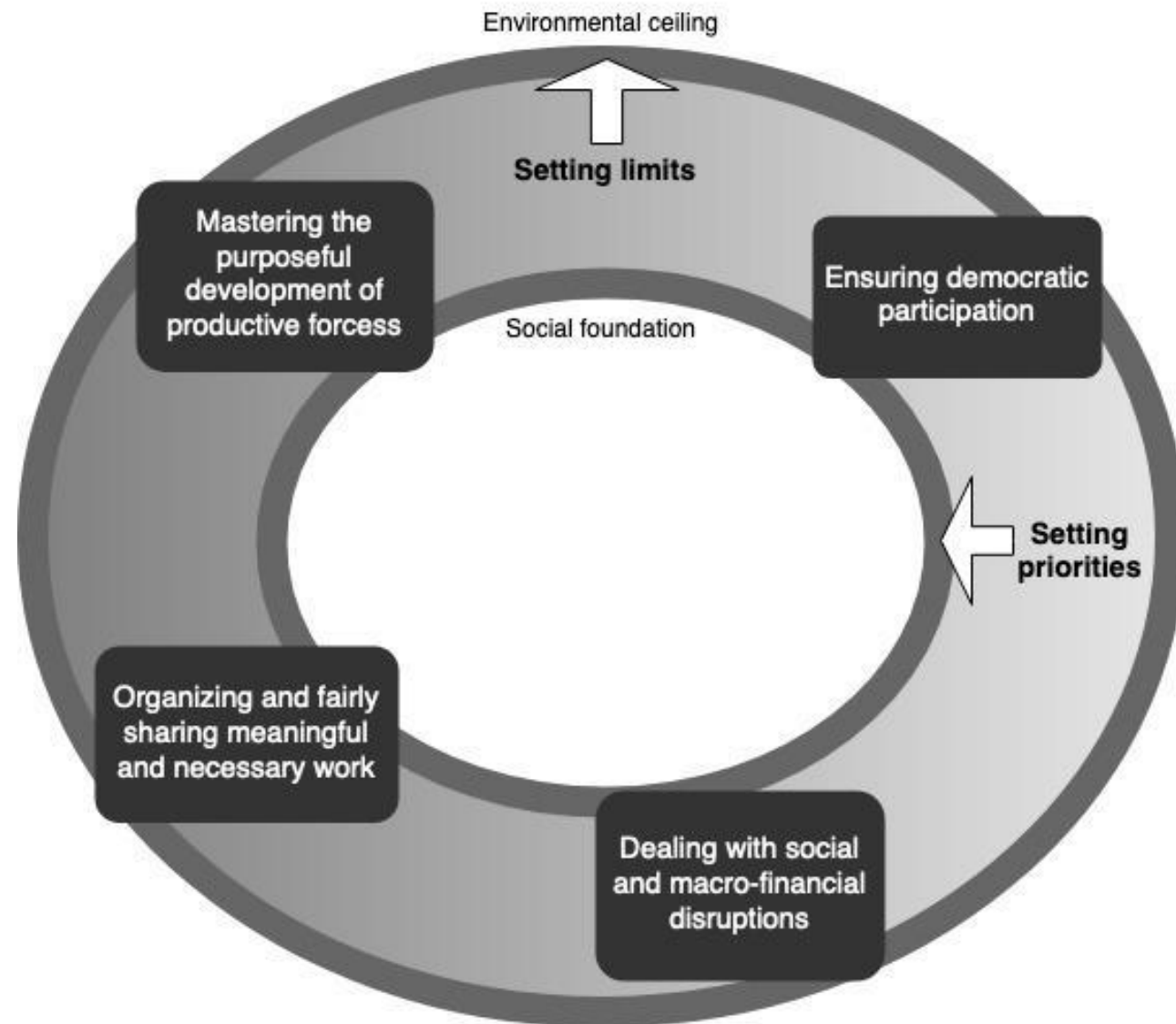
-> We need to plan the
doughnut



Raworth 2017.

Planning beyond growth

can be defined as a set of institutions supporting decision-making processes informed by bio-physical and social indicators and driven by deliberately stated social and ecological targets



Hofferberth, Durand and Schmelzer, forthcoming.

What degrowth aims at and planning can help achieve

Setting and effectuating limits and priorities

Define types of need satisfiers, their distribution as well as the organization of the provisioning process

Ensuring democratic participation

Integrate diverse positions through participation of multiple groups of interest, sectors and organisations at different political and geographic scales, including but not limited to experts

Planning institutions designed to tackle existing inequalities and systems of oppression, e.g. due to race, gender, or class

Organizing and fairly sharing meaningful and necessary work

Estimation of the amount and type of work required to produce what is deemed socially desirable and ecologically viable

Match estimation with the capabilities and relative aptence of individuals

Account for wage labour and uncommodified work in households and communities

What degrowth aims at and planning can help achieve

Mastering the purposeful development of productive forces

Technical models, technologies, organization of labour processes and changed ownership structures that prioritise sustainability, usefulness and desirability rather than profit, e.g. ‘convivial technology’ (Vetter 2017)

Dealing with social and macro-financial disruptions

Necessary speed and scale of transformation carries risk of ruptures, e.g. unemployment related to phasing out of whole industries, asset stranding, etc.

Macroeconomic coordination can help prevent full-blown socio-economic crisis

An agenda-setting framework

Not an ideal model

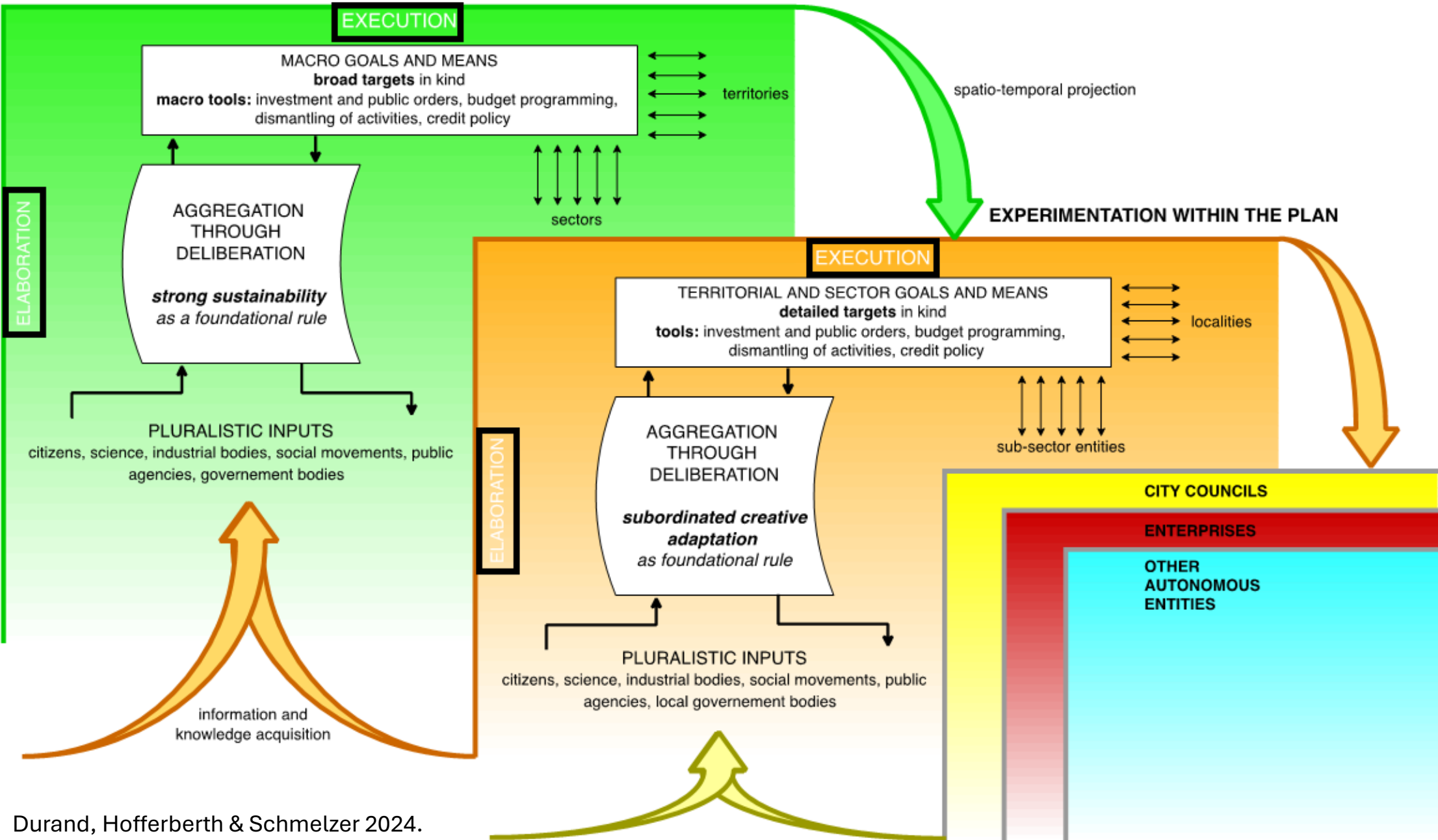
A readily available inspiration for research
and practice

A basis to discuss

Specific processes, institutions and
instruments, including technical and
political questions

Challenges of planning beyond growth:
multi-level dynamics, elaboration and
execution

DESIGN AND DEPLOYMENT OF THE PLAN



Multi-level dynamics

A wide range of decisions are not centralised
but made by individuals and local
structures

Iteration between and articulation of
distinctive levels of planning,

in principle from the local to the
global level

Subsidiarity principle

What can be dealt with at the lowest
level should be dealt with at that
level

Top-down and bottom-up

decisions are nurtured by the inputs
from the lower level; they reimpose
themselves on the lower levels

Elaboration

- Pluralistic inputs to acquire relevant information and knowledge and elaborate plan(s)
- Combination of representation and participation of concerned actors and marginalized groups with an adequate mobilization of competencies
- Democratic quality and density of the process crucial to ring-fence the legitimacy and ensure deployment plans, e.g. Climate Assemblies (Pech 2021)
- Dialogue with executive bodies about the elaboration and choice of alternative social, ecological, and economic pathways

Execution

Accountability towards the elaborative institutions

Operationalisation of the elaborated social and environmental priorities

In-kind calculation apparatuses that combine quantitative and qualitative targets such as carbon quotas, biodiversity targets, etc.

Mobilisation of adequate resources and instruments for the execution of "the plan", e.g. industrial policy, public orders

Oversight and enforcement critical

Real-world democratic ecological planning?

- Debates on Industrial policy, price controls in the context of the Covid-19, the war in Ukraine, and related energy crisis and inflation
- Official endorsement of ecological planning in France
- ...
- Yet, increasing (time) pressure and adverse distribution of power
- Building a supportive majority central challenge (Krahé 2022)



Thank you
for your
attention!

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