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# Elements of a Political Economy of Degrowth

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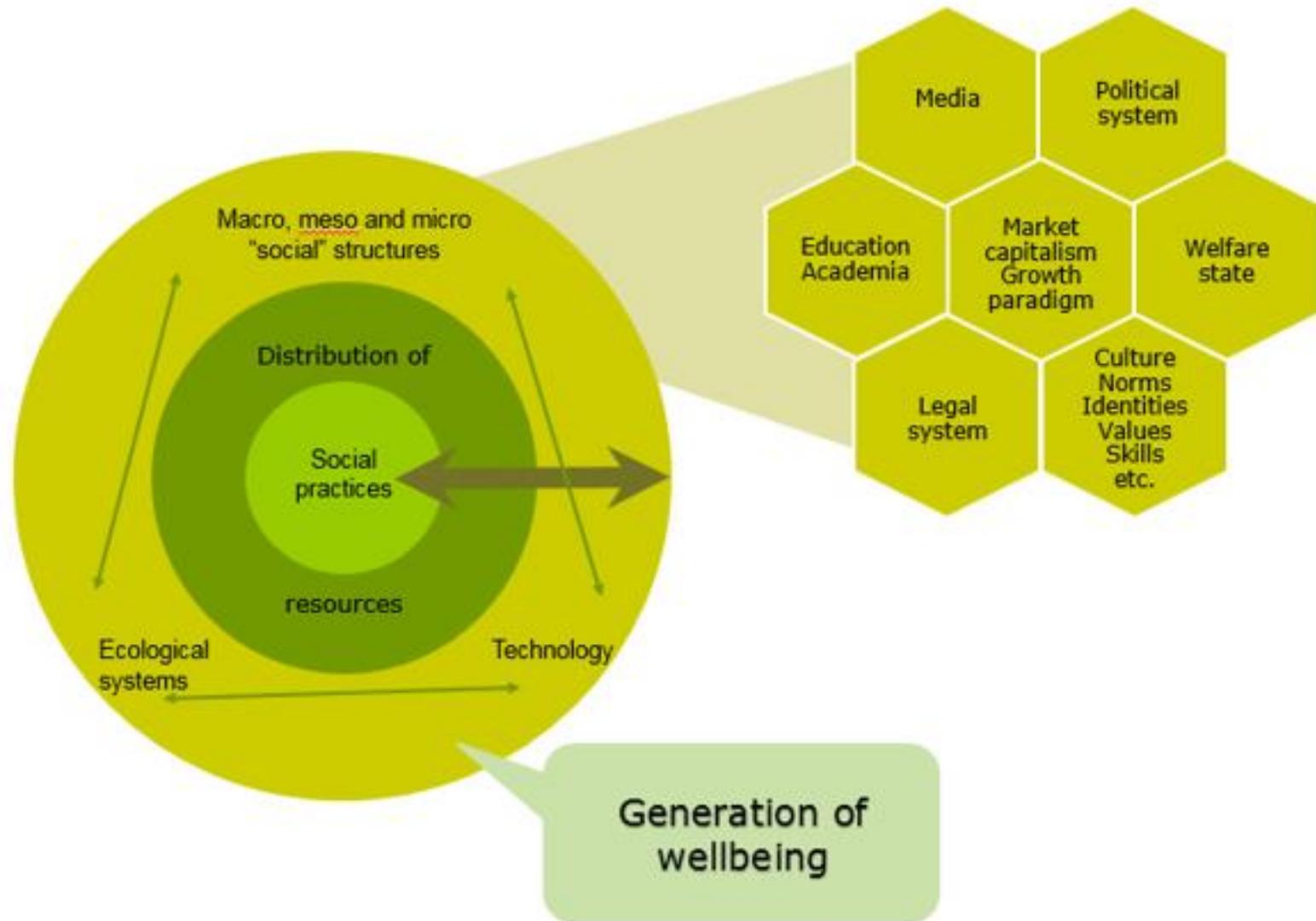
1. Degrowth: Necessary but hard to do
2. Elements of a political economy of the postgrowth era: Marx and the regulation approach
3. The (potential) role of the state in an ecological and social transition

# 1. 'No alternative' to degrowth: Sustainability, Inclusion and Quality of Life relative to GDP/capita (Fritz/Koch, *Global Environmental Change*, 2016)

	Ecolog. Sustainability			Social Inclusion				Quality of Life		
Material standard of living (GDP per capita, constant \$ per year, purchasing power parity (ppp))	CO2 emissions in tons per capita	Ecological footprint of production in global ha per capita	Ecological footprint of consumption in global ha per capita	Gini Index for income inequality	Homicide rates per 100,000 persons	Democracy Index	Freedom House Index	Life Expectancy	Literacy Rates	Subjective well-being
'Poor' (below 3200\$; n=32; e.g. Chad, Uganda)	0.2	1.2	1.3	41.1	8.3	4.0	2.5	58.9	58.3	4.2
'Developing' (3200-11000\$; n=33; e.g. Ghana, Nigeria, Bolivia, Ecuador)	1.7	1.8	1.8	41.6	13.2	5.1	3.1	68.6	84.8	5.1
'Emerging' (11000-21500\$; n=33; e.g. Argentina, China, Romania, Venezuela)	4.4	2.6	2.8	42.0	9.8	5.4	3.3	73.0	92.6	5.4
'Rich' (21500-50000\$; n=32; e.g. Australia, Denmark, Sweden, Japan, Germany)	9.8	5.6	5.3	32.2	2.8	7.8	5.5	79.0	98.8	6.5
'Over-developed' (+ 50000 \$; n=8; e.g. Qatar, Kuwait, Norway, Switzerland)	18.2	6.7	7.1	37.2	1.4	5.5	3.2	78.8	95.5	7.0



# Challenges to the degrowth transition: Growth, institutions and the generation of wellbeing



## 2. Marx: Distinction of use value and exchange value as the ‘pivot on which a clear comprehension of political economy (and ecology!) turns’

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- *Exchange value*: Reduces concrete works and matter/energy to repositories of abstract labour; regards land, raw materials, fuels as free gifts from nature and sources of rents; tends towards an infinite expansion of scale to produce more exchange value/capital
- *Use value*: Bound up with rearranging matter and energy; expansion of scale translates into increasing throughput of raw materials and auxiliaries; accompanied by degradation of environment and increase in GHG emissions
- Always analyses economic categories, social relations and modes of consciousness together: naturalisation of growth as result of a stepladder of mystifications



# An institutional view: the Regulation approach (Aglietta, Boyer et al.)

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- Social and environmental tensions manifest themselves (to some extent) differently in historical growth periods and according to (national) institutional particulars
- Production and consumption norms are balanced differently under particular institutional and technological conditions
- ‘Accumulation regimes’ and ‘modes of regulation’ are linked to patterns of societalisation and ‘energy regimes’ (fossil, solar etc.) as well as to ‘institutional forms’: wage relation, nature of money, international regulation and the role of the state
- The analysis of the institutional forms of ‘growth strategies’ may inspire the formulation of a political economy of the postgrowth era



### 3. One institutional form: The state in a capitalist growth economy

<b>Economic development: Monetary growth (exchange value orientation)</b>	<b>State spatiality / spatial target (Brenner)</b>	<b>Economic, social and environmental policies</b>
<p><i>Rule of law:</i> Guarantees private property, principle of equivalence, legal security of economic subjects</p> <p><i>Welfare state:</i> Legitimizes social inequality and maintains a minimum of social inclusion</p> <p><i>Environmental state:</i> Addresses problems of externalisation of environmental costs</p>	<p>Delicate structure subject to de- and rescaling processes</p> <p>New multi-scalar structures of state organization, political authority and regulation keep emerging</p> <p>National and European levels most important after WW II</p>	<p>Macro-economic management / intermediation of corporatist processes</p> <p>Social policies de- and recommodify labour power and limit inequality</p> <p>Environmental policies are meant to produce ‘green growth’</p>



# State roles in (a transition to) a postgrowth economy

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<b>Economic development: Increasingly seen as bio-physical process (use value orientation)</b>	<b>Spatial target</b>	<b>Economic and eco-social policies: Needs orientation through redistribution of wealth, income and pollution rights</b>
<p>States ensure that production and consumption patterns do not exceed environmental limits</p> <p>Define limits for economic and social inequality</p> <p>Steer governance network of state, collective, communal and private property forms and actors</p>	<p>Global and local levels</p> <p>Global: Identification of thresholds for matter and energy throughput</p> <p>These delineate the leeway within which national and local economies can evolve</p>	<p>Macro-economic management of mixed and steady-state economy ensures provision of sufficient need satisfiers</p> <p>Eco-social policies include wealth sharing, minimum and maximum incomes, carbon and other environmental quota, and consumption-oriented policies</p>

# Conclusions

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- Degrowth is necessary due to the very weak evidence for an absolute decoupling of GDP growth, resource use and carbon emissions, but difficult to achieve
- A rediscovery of Marx in combination with institutional approaches such as regulation theory may facilitate an integration of standard and ecological economics and the formulation of a political economy of the postgrowth era
- The existing state apparatus may be used to initiate a social and ecological transition and to launch eco-social policies at local, national, European and global levels

• **Many thanks!!!**

