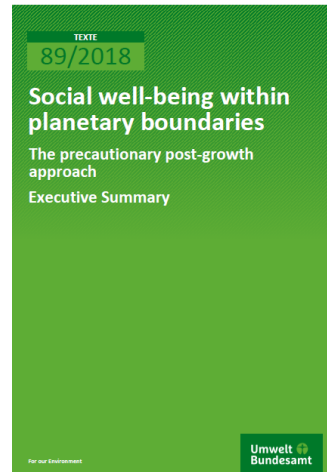




Growth independence: A new approach to economic, social and environmental policy

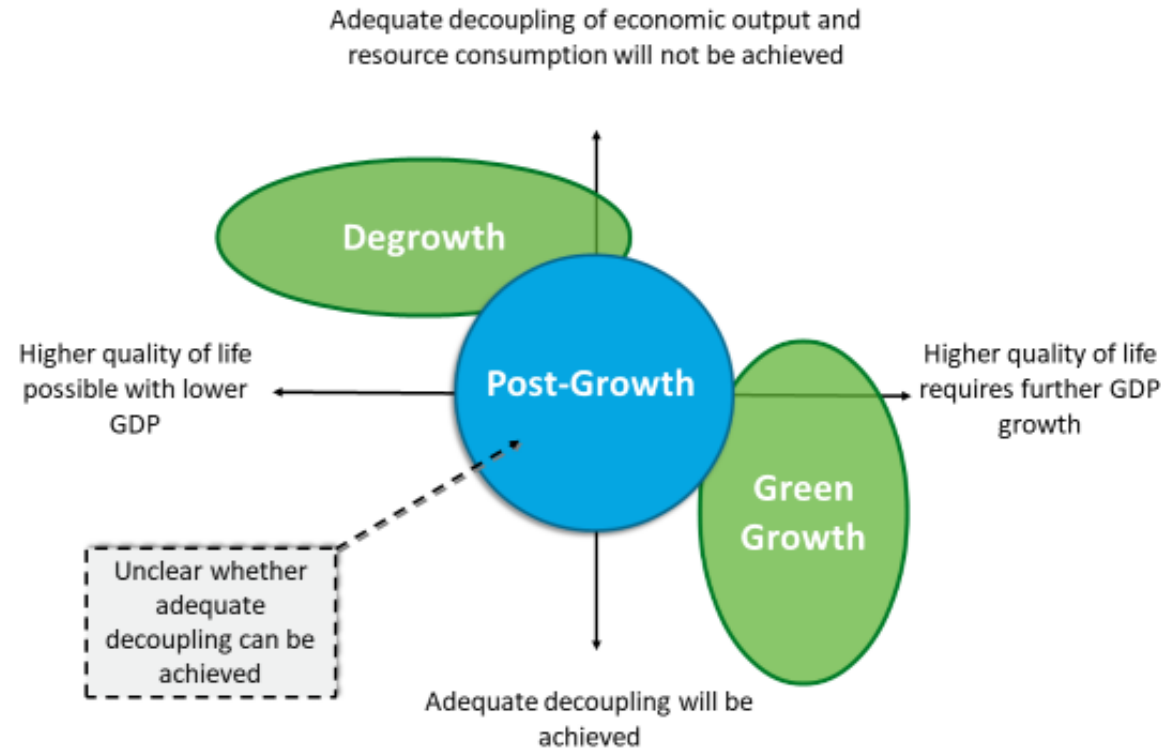


Dr. Steffen Lange

Institute for Ecological Economy Research



Green growth, degrowth and post-growth



Source: own illustration



The concept of growth independence



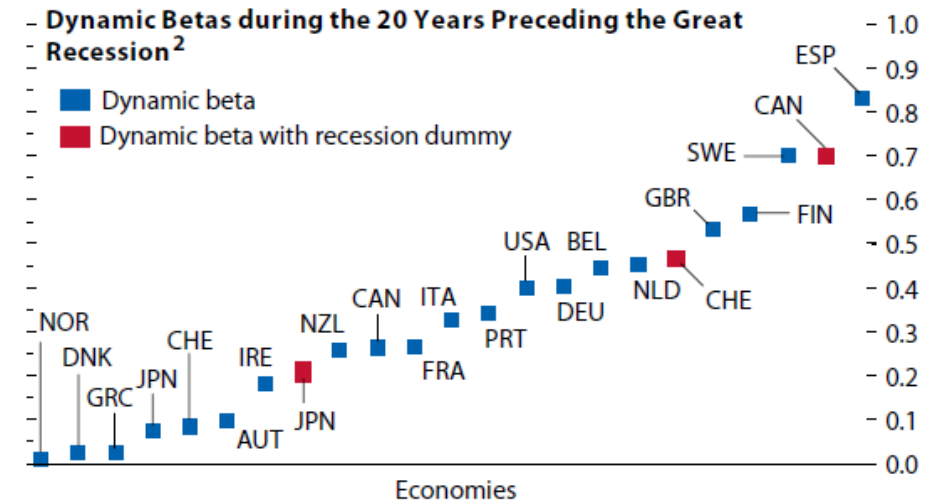
- Analysis:
 - Certain institutions are growth dependent
 - Strict environmental policies might lead to economic shrinkage
 - This would have strong negative social consequence – which is why the policies are not put into place
- Central examples:
 - Employment and wage income
 - Social security systems



Employment and wage income



- Analysis:
 - Growth needed for employment?
 - Or growth due to employment?
 - Strategies:
 - Redirection of technological change
 - Working hours reductions
 - Less dependence on wage income
- > Is employment really growth dependent?
- > More research needed



Source: IMF. (2010). World Economic Outlook: Rebalancing Growth. International Monetary Fund Washington, DC.



Social Security Systems



- Analysis:
 - Financing dependent on wage income and/or taxes. Both correlate with GDP/growth.
 - Insurance system works in principle without growth
 - Pensions lower than in growing economy
 - Health system more complex

-> Mainly a distributional issue?

-> More research needed

Number workers	20
Number pensioners	5
Production per worker	100
GDP	2000
Income per person	80
Pension contribution rate	0,2



MUT.
MACHEN.

Thank you!

