

Where is the green economy?

Tim Jackson
@ProfTimJackson
23rd October 2013

15th September 2008...



The Price of Everything



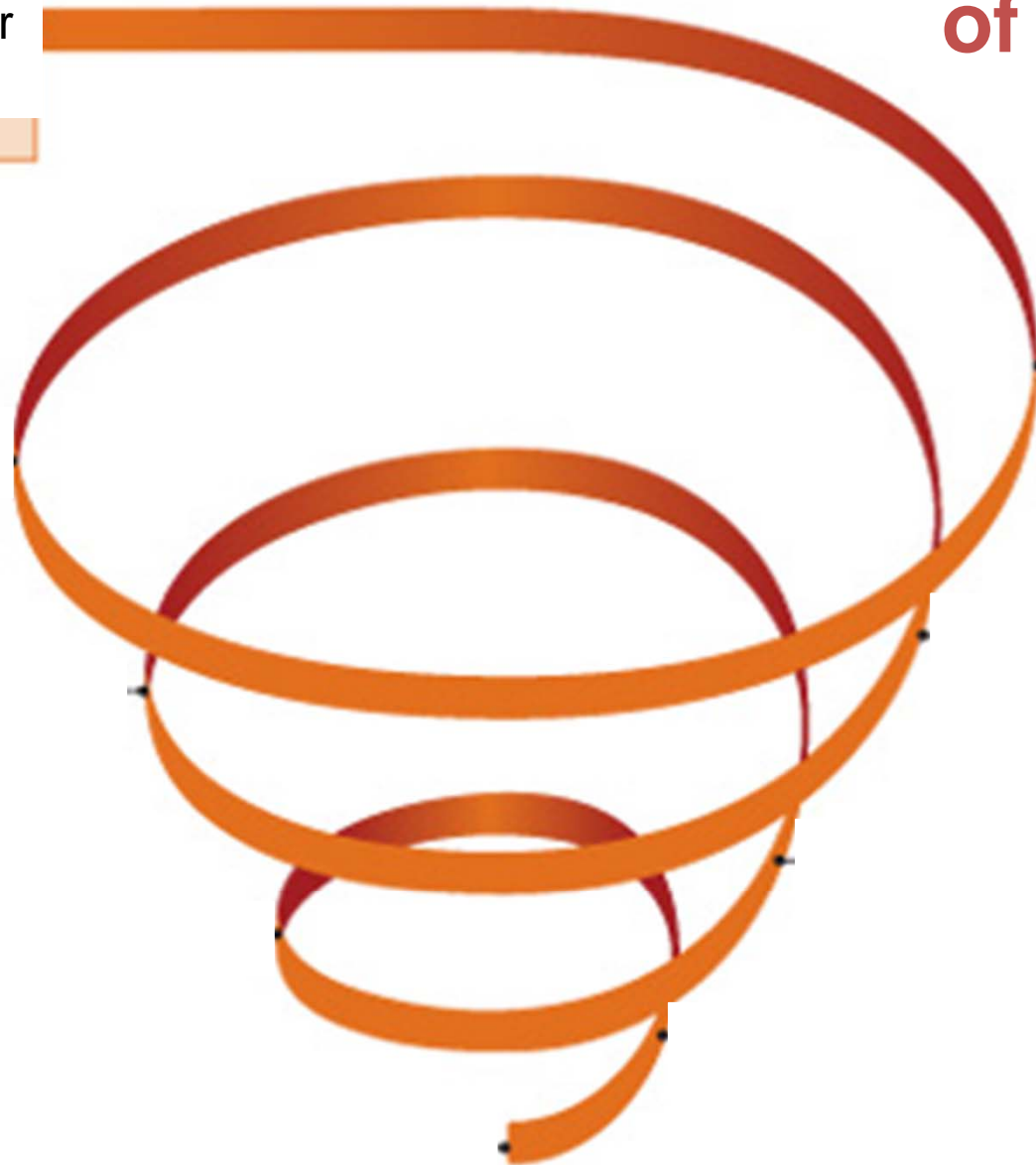
The Dilemma of Growth

- Growth is unsustainable
- De-growth is unstable

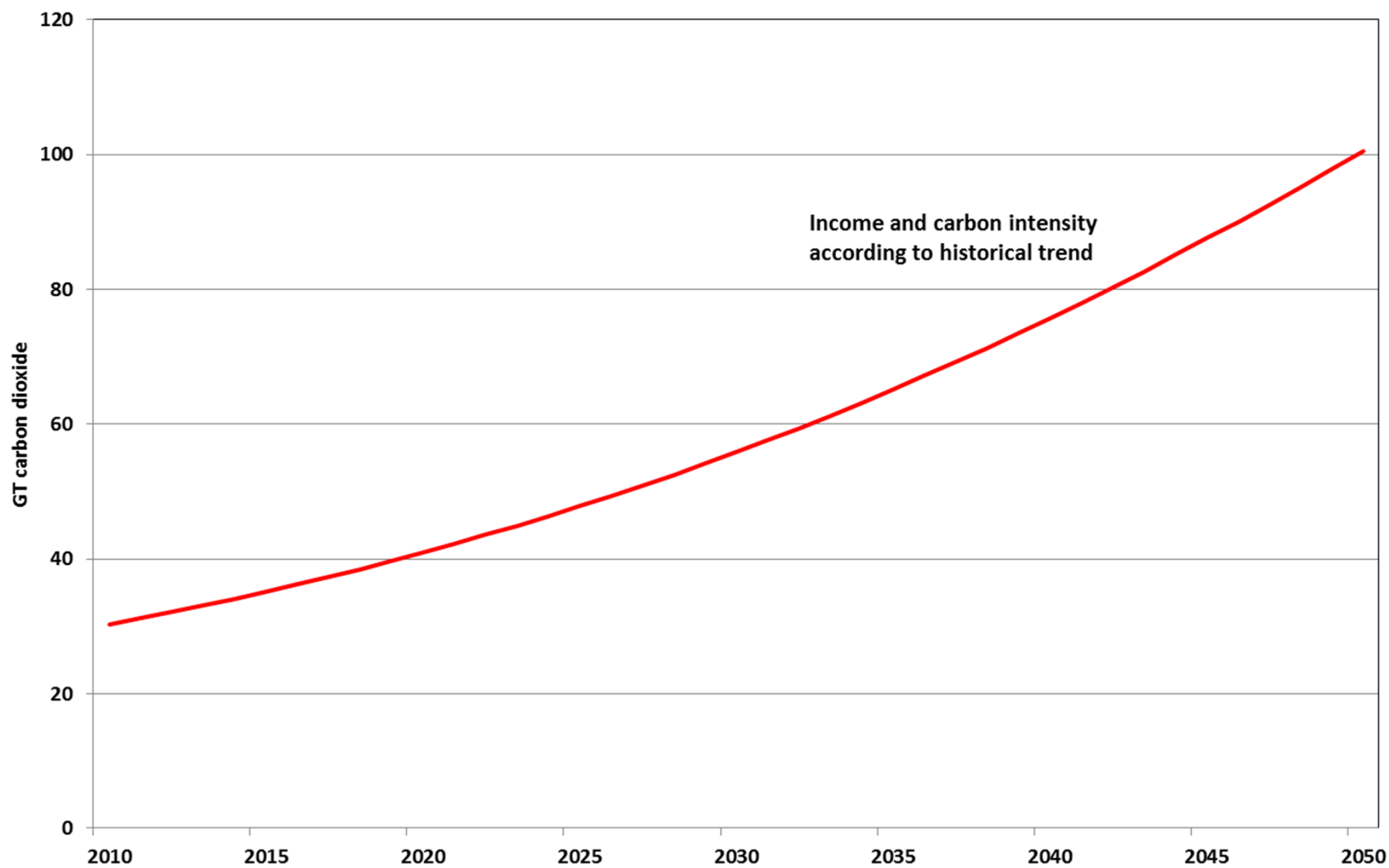


Innovation
focused on labour
productivity

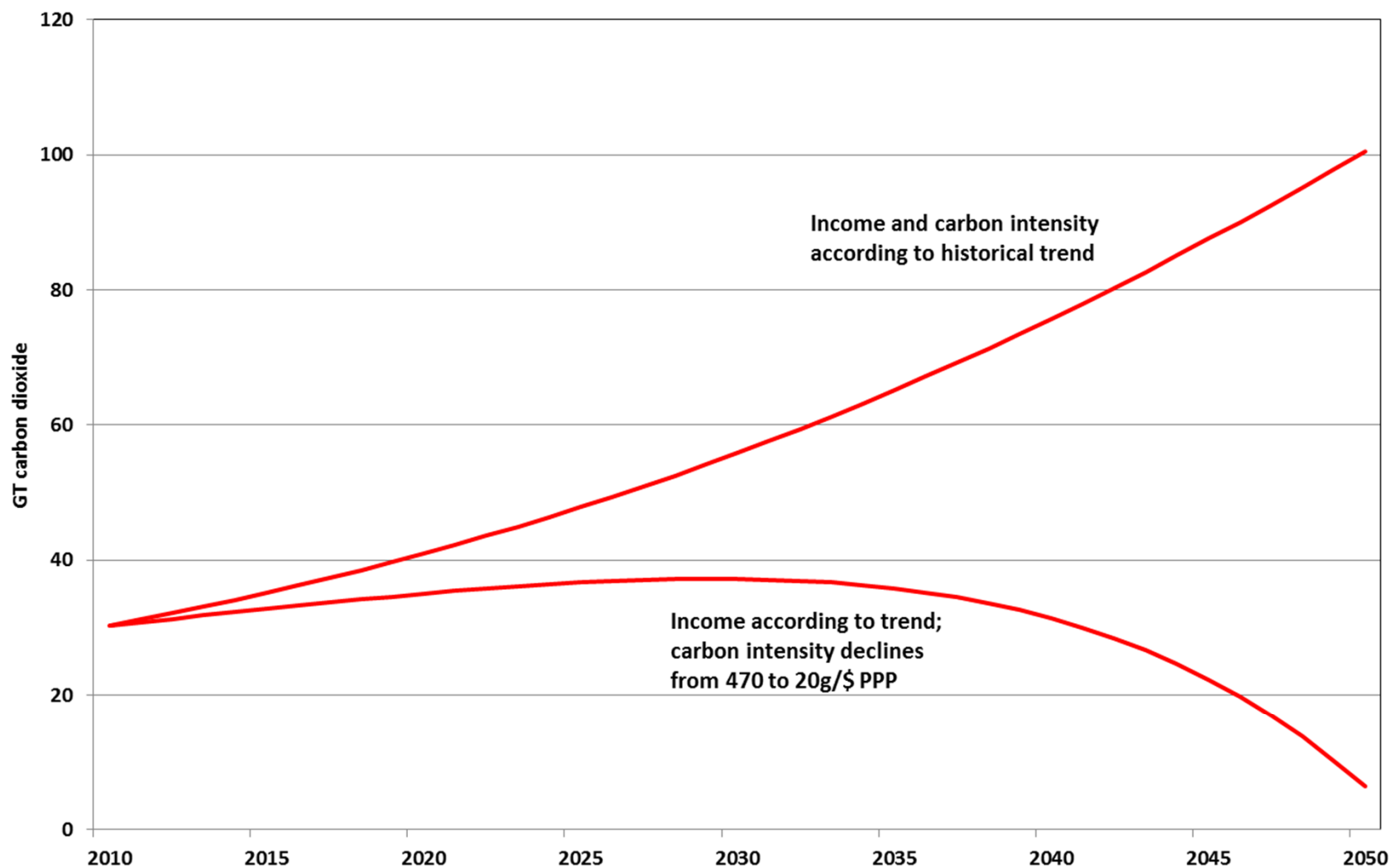
The dilemma of growth



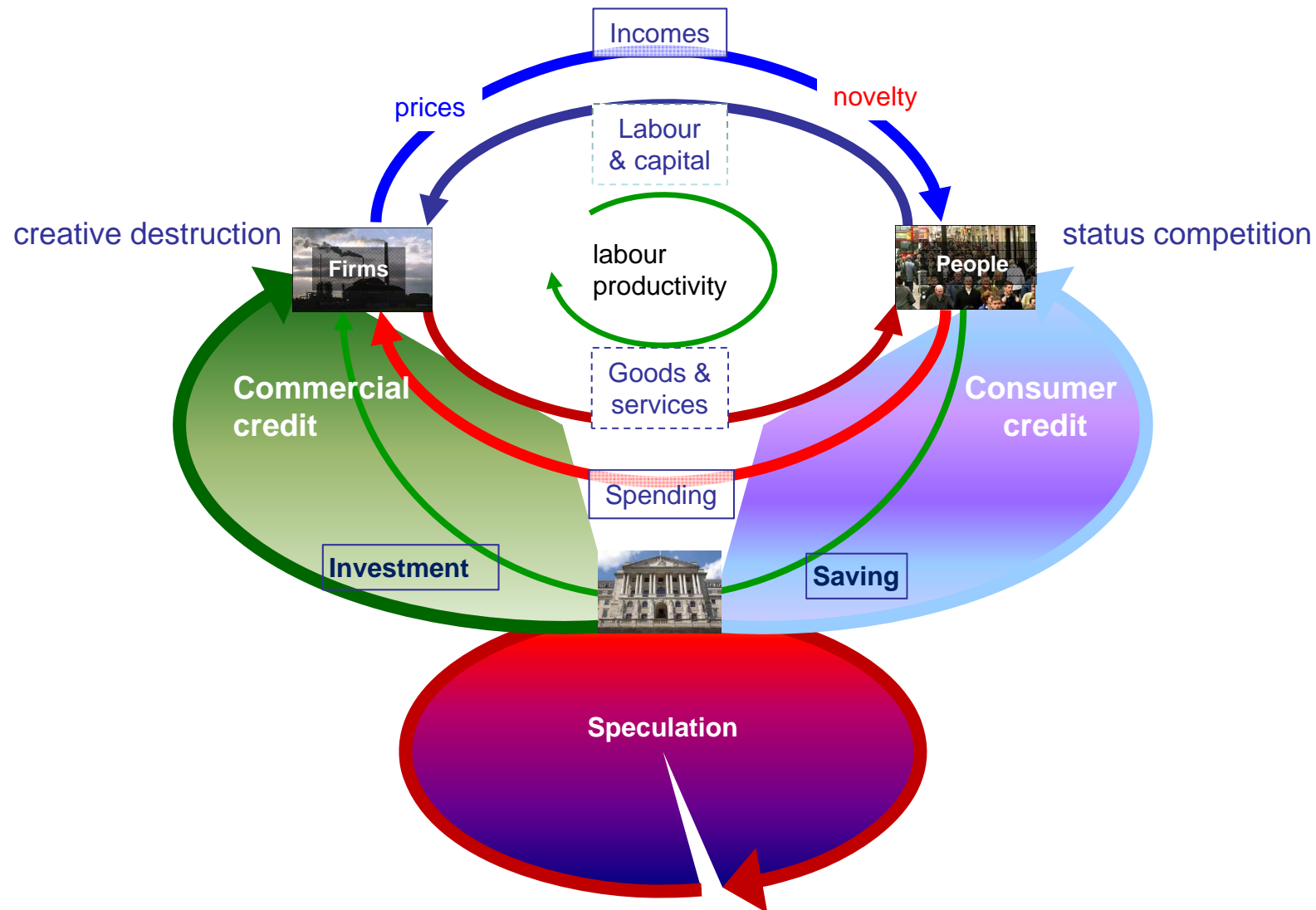
Chasing Green Growth



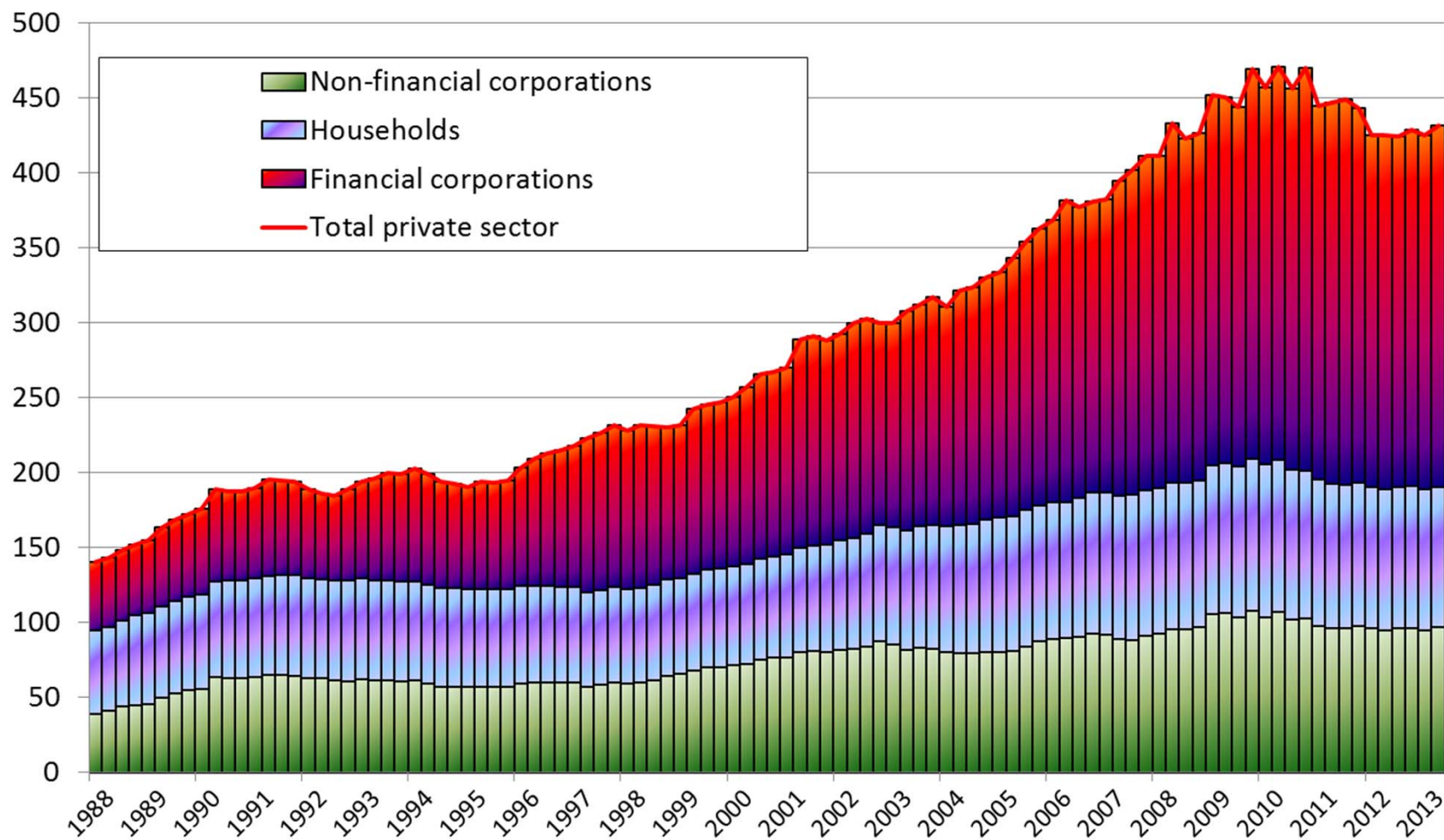
Chasing Green Growth



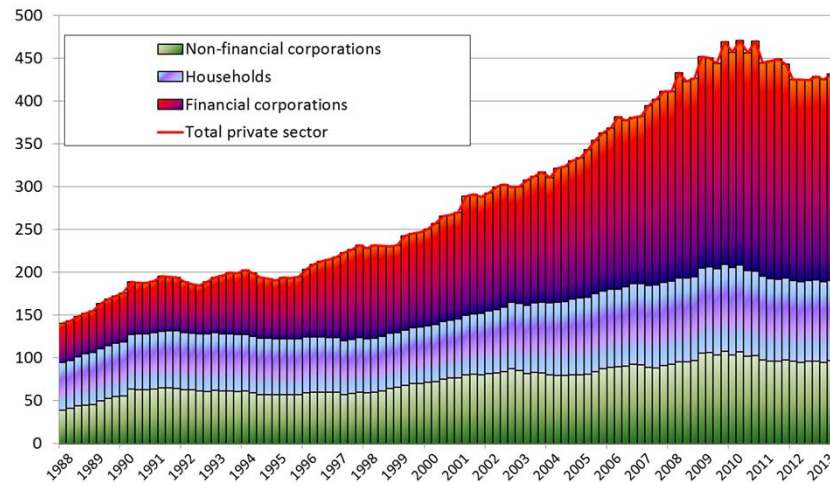
Chasing Green Growth



Chasing Green Growth

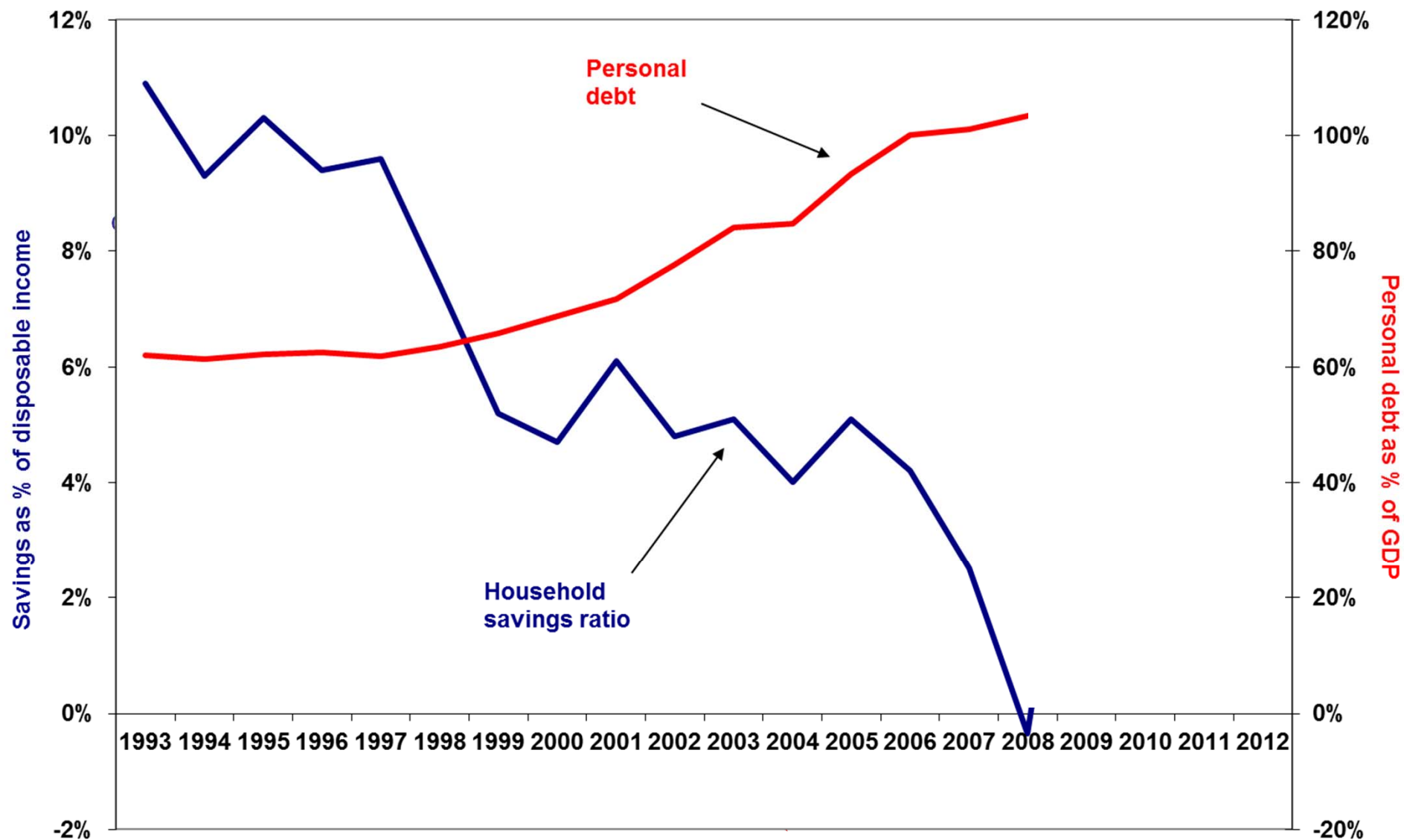


Chasing Green Growth

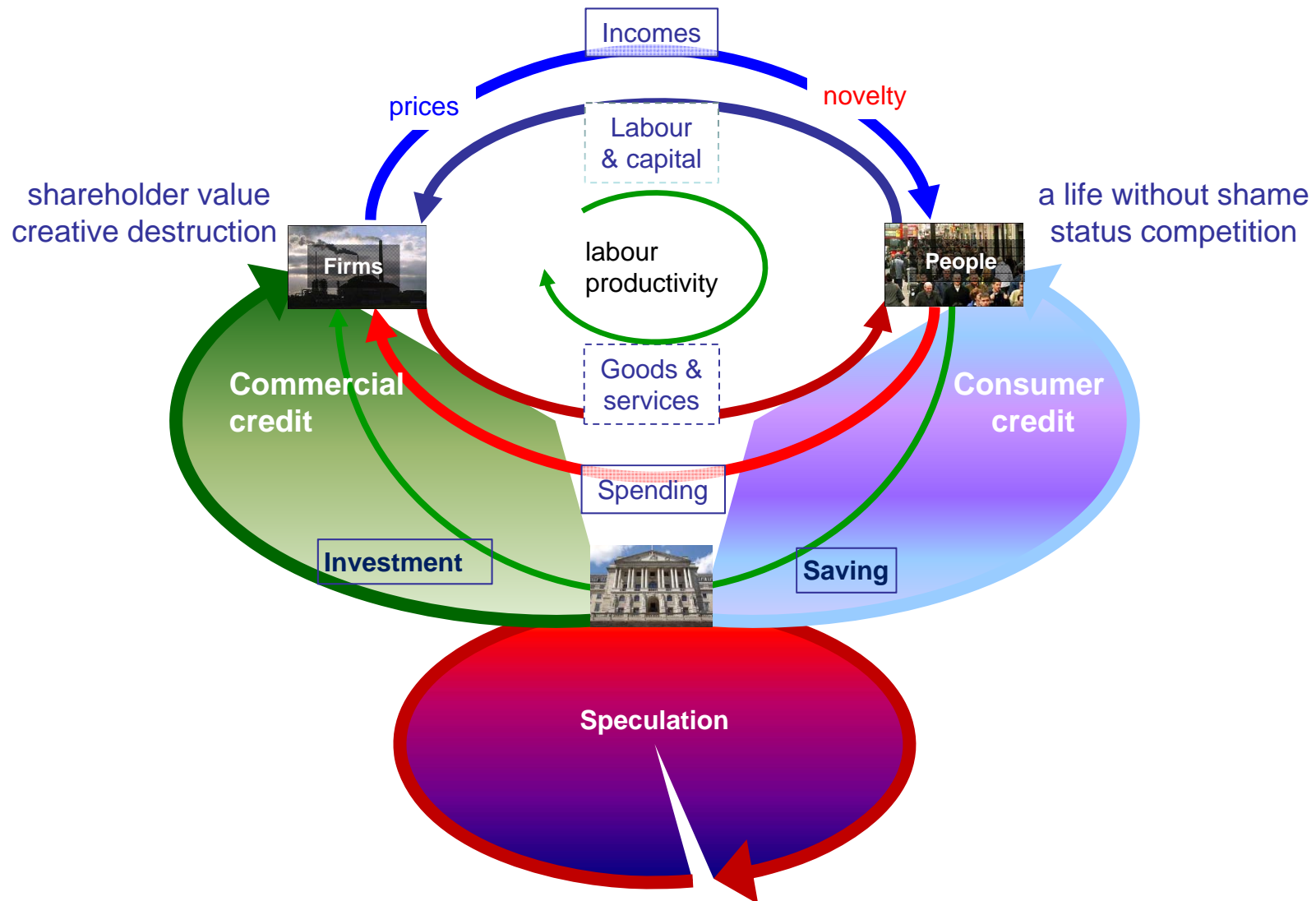


- **speculation**
 - commodities
 - property
 - derivatives
- **consumer lending**
 - mortgages
 - unsecured lending
- **‘real’ investment**
 - short-term-ist
 - rent-seeking
 - chasing productivity bubbles
 - depleting resources
 - de-grading environments

Chasing Green Growth



Chasing Green Growth

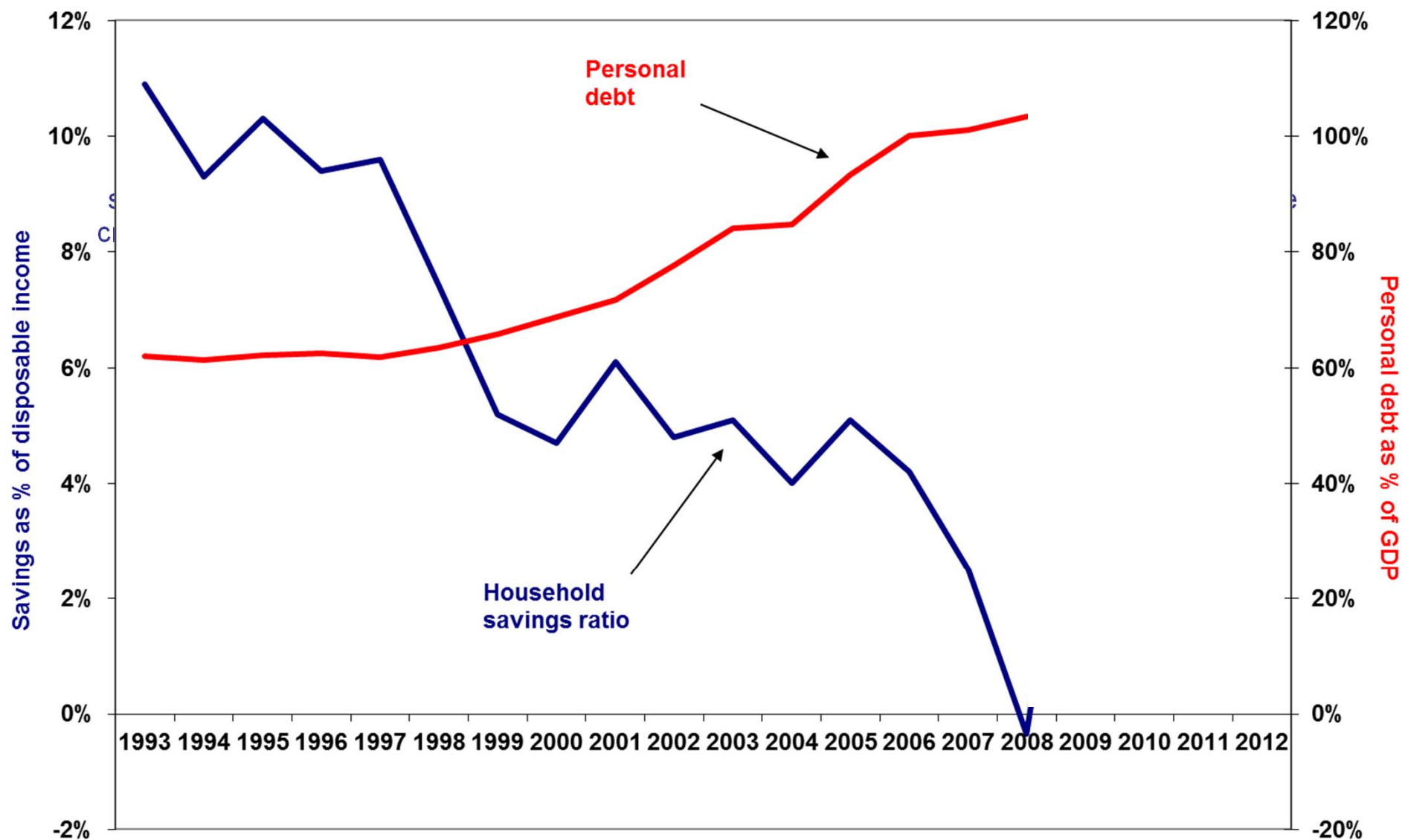


Our enormously productive economy demands that we make consumption our way of life, that we convert the buying and use of goods into rituals, that we seek our spiritual satisfactions, our ego satisfactions, in consumption...

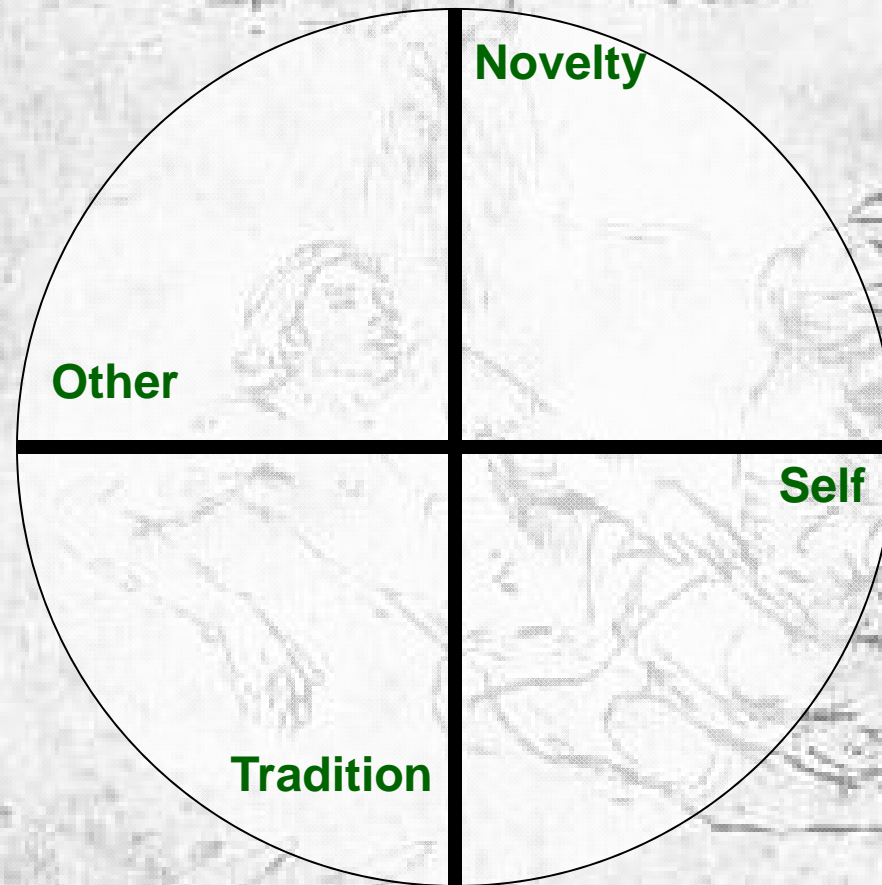
We need things consumed, burned up, worn out, replaced, and discarded at an ever increasing pace.

Victor Lebow 1955

Chasing Green Growth



Beyond Consumerism



Foundations for a Green Economy



- **enterprise**
 - resource light
 - employment rich
 - the 'service' economy
- **employment**
 - work-time
 - skill and service-oriented
- **investment**
 - ecological and social
 - a different 'ecology'
 - slow, patient capital

A green investment portfolio



- **green technologies**
 - renewables
 - energy efficiency
 - resource productivity
- **infrastructure**
 - public transport
 - low-carbon buildings
 - community spaces
- **ecological protection**
 - forests
 - soils and crops
 - wetlands and habitats
- **services**
 - health and education
 - care, craft and culture



Low-carbon technologies and infrastructures...



Service sector enterprise....



Holistic livestock management....



Habitats....

YASUNI-ITT

UNA INICIATIVA PARA CAMBIAR LA HISTORIA

Foundations for a Green Economy



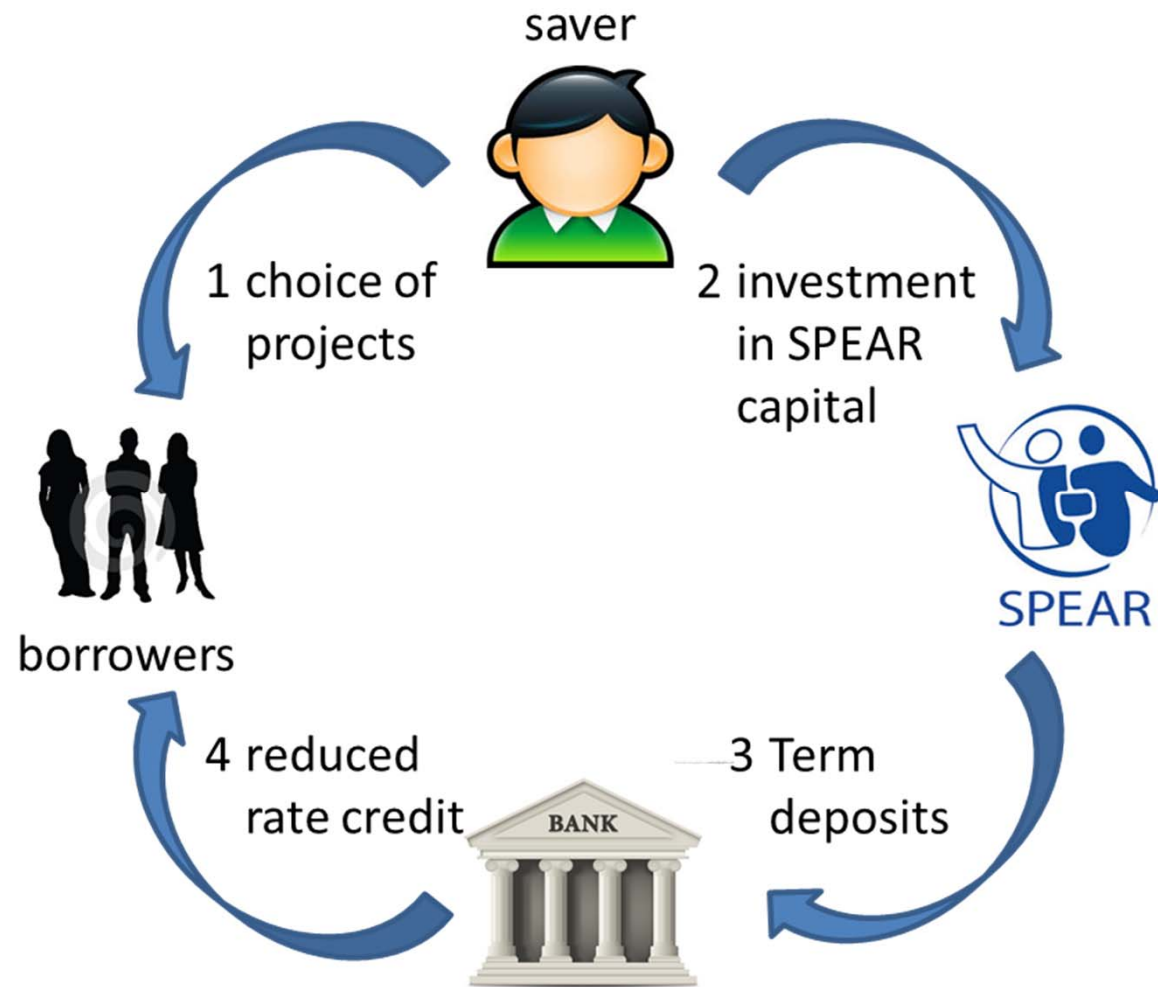
- **enterprise**
 - resource light
 - employment rich
 - the 'service' economy
- **employment**
 - work-time
 - skill and service-oriented
- **investment**
 - ecological and social
 - a different 'ecology'
 - slow, patient capital
- **money**
 - appropriate institutions
 - sector balances
 - green money supply

Money for a green economy



- **small-scale**
 - peer-to-peer
 - community bonds
 - community banking
- **institutional investors**
 - governance
 - negative screening
 - investment for good
 - impact investment
- **macro-economy**
 - financial regulation
 - fiduciary duties
 - hypothecated transactions tax
 - green quantitative easing

Peer to Peer Lending





**WE LEND MONEY BUT
WE'RE NOT A BANK.
JUSTICE, NOT PROFIT,
IS OUR BOTTOM LINE.**



Triodos Bank

Un banco donde cuenta algo más que el dinero





 **MERKUR**
Den Almennyttige Andelskasse

Money for a green economy



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 - green quantitative easing
 - **the money supply**

"It is well enough that the people of this nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning."

Henry Ford



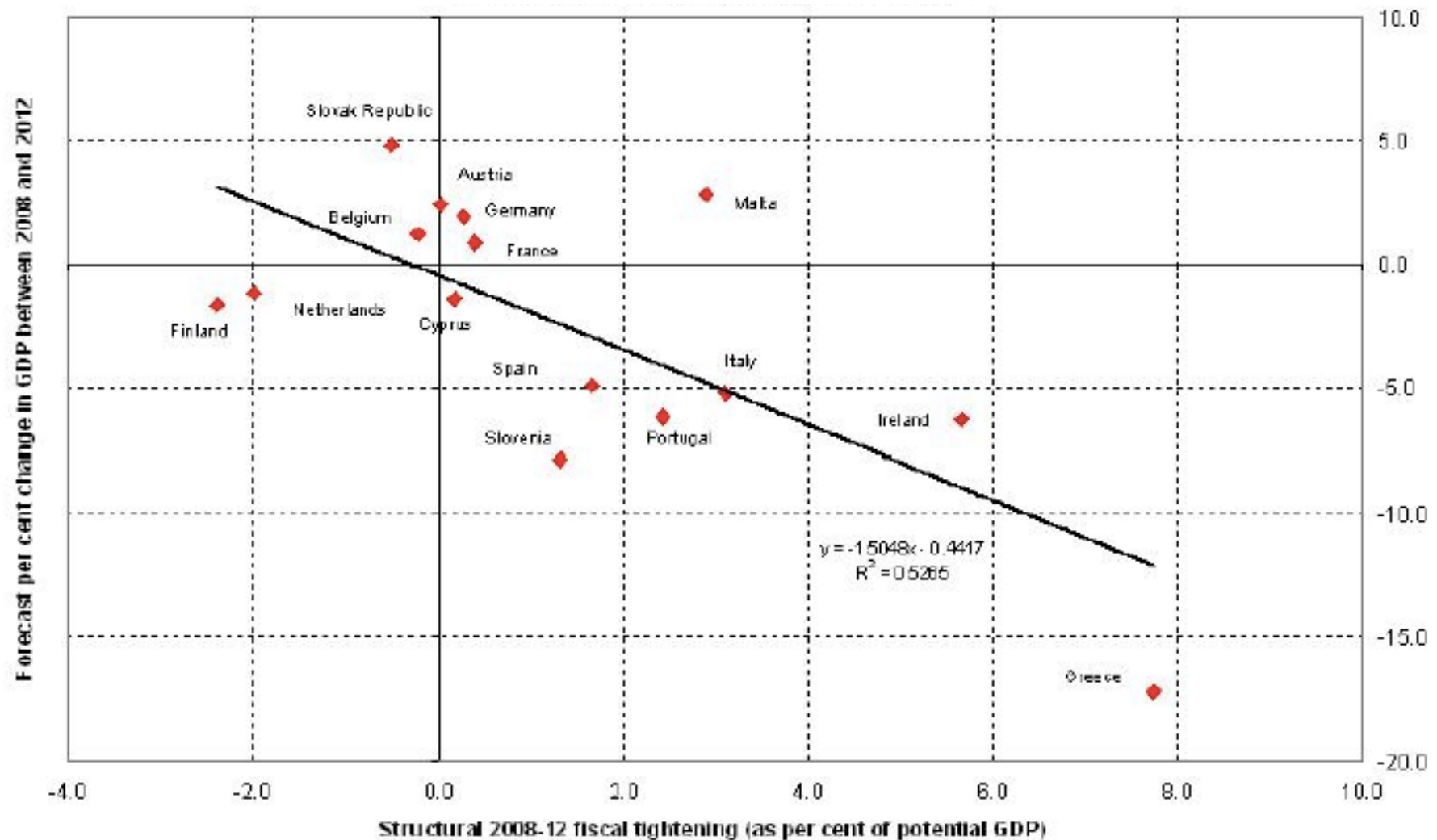

$$(S - I) = (G - T) + (X - M)$$

Private net
savings

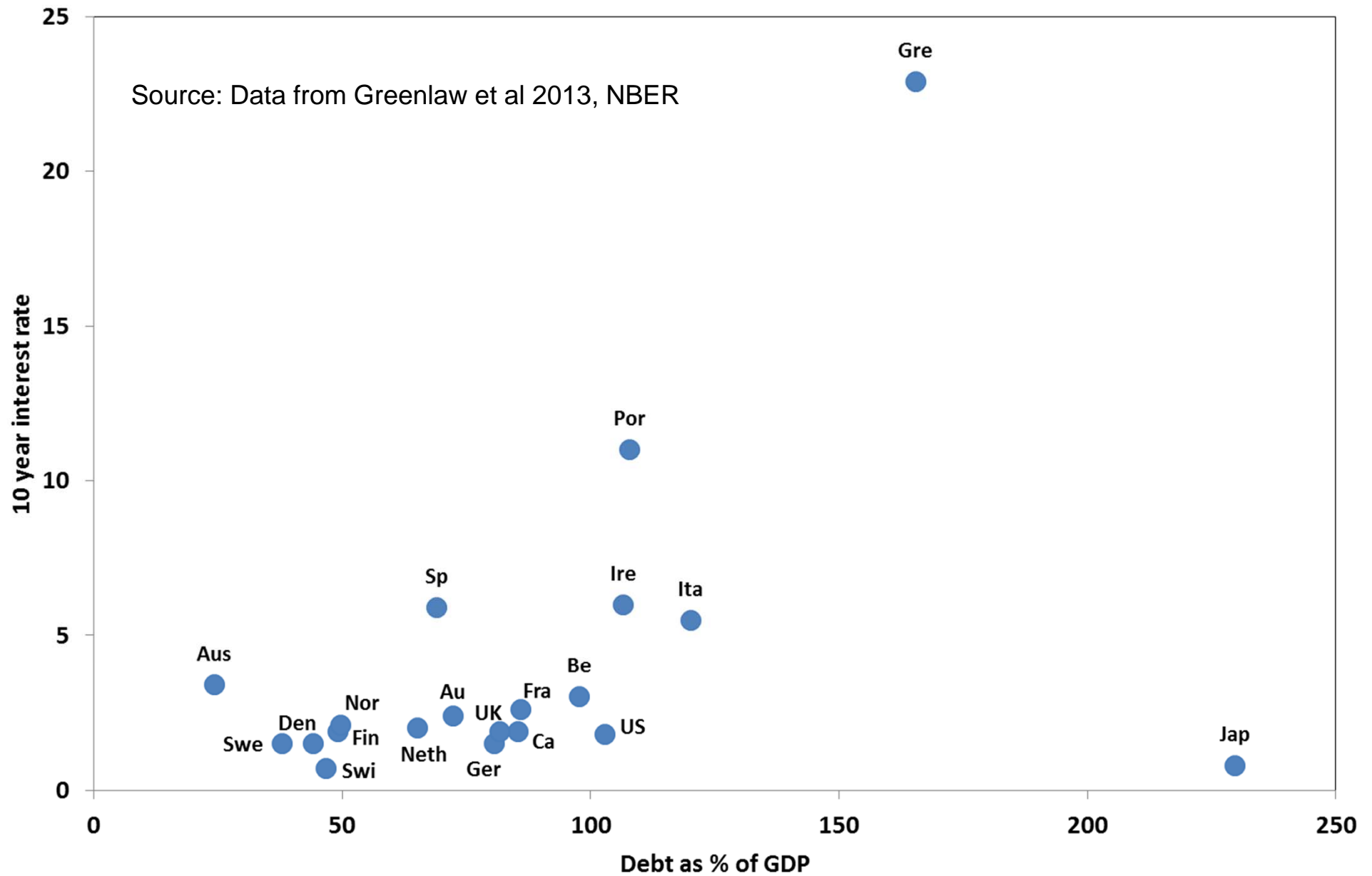
Government
borrowing

Net trade

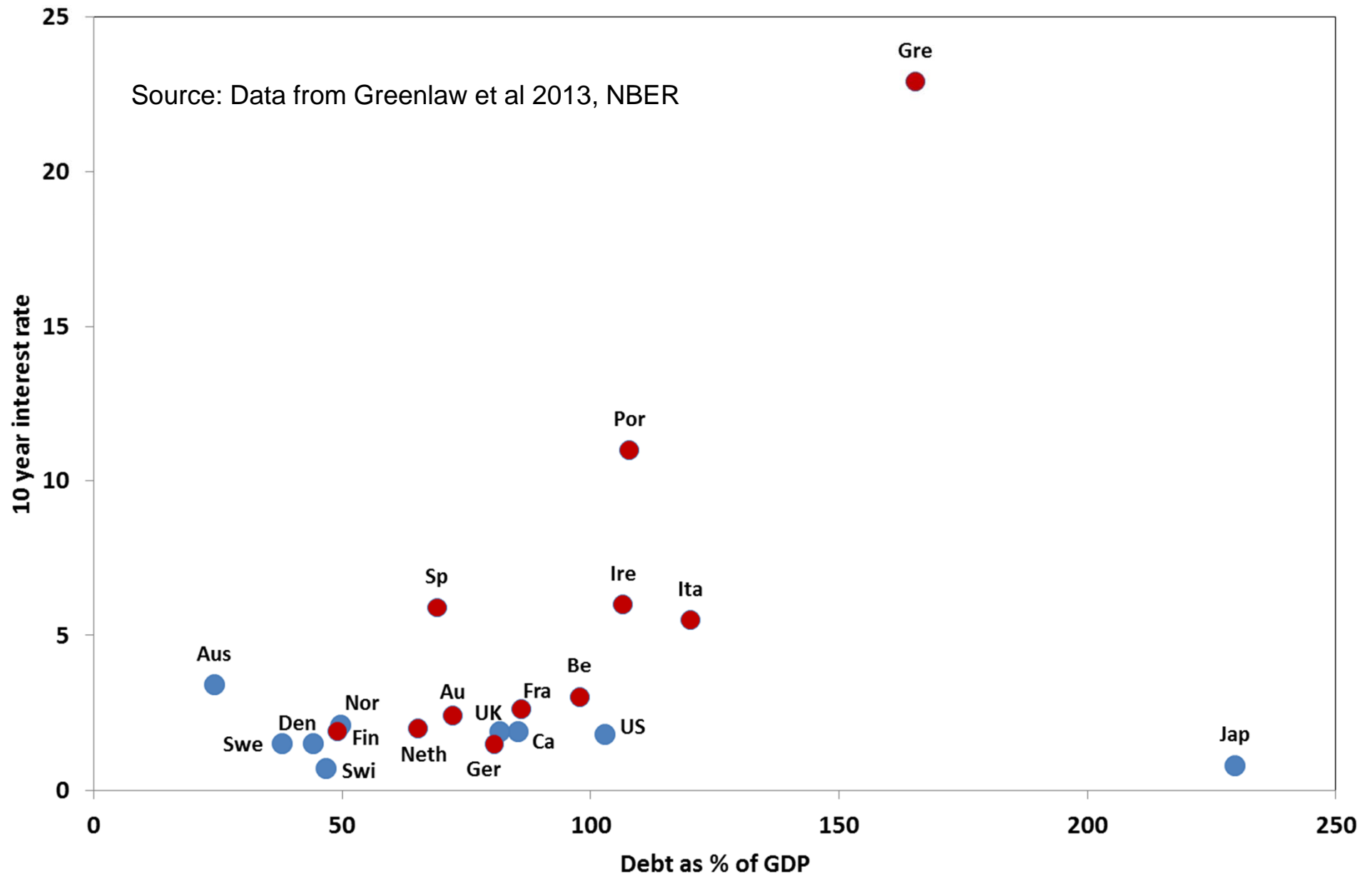
The failures of austerity



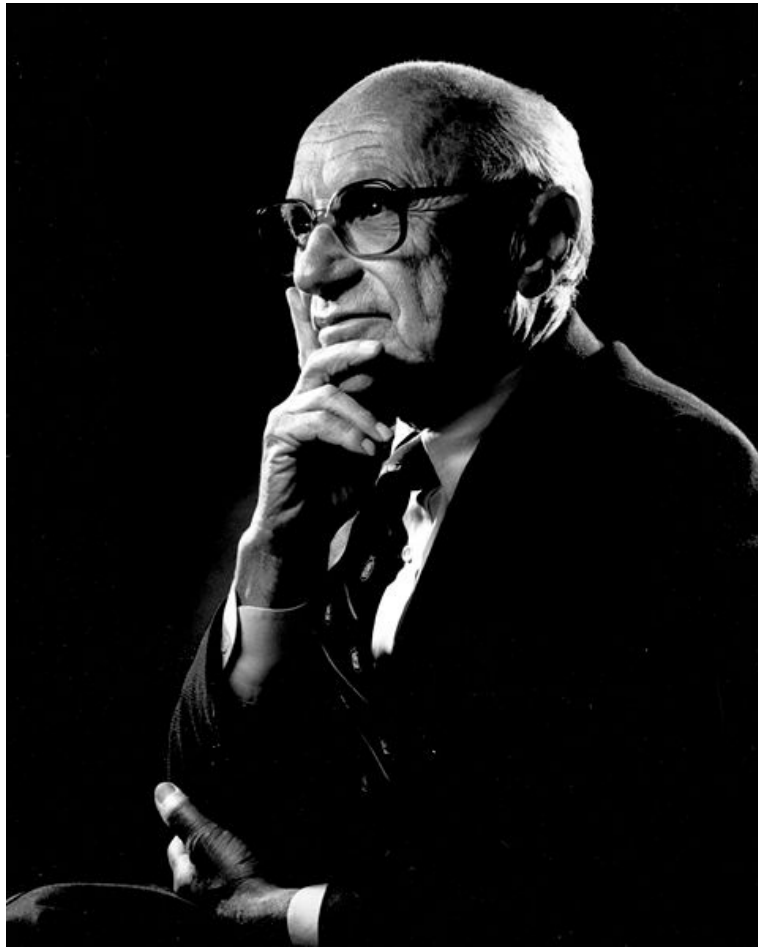
Debt and the interest rate



Debt and the interest rate



Money for a green economy



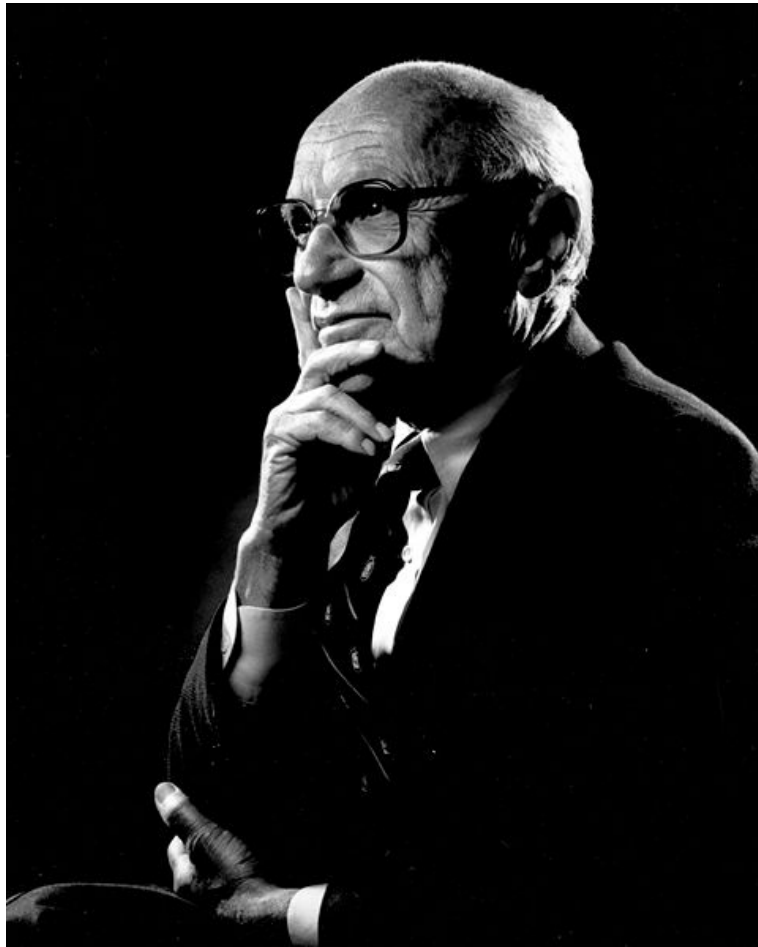
‘A reform of the monetary and banking system to eliminate both the private creation or destruction of money...

Government expenditures would be financed entirely by tax revenues or the creation of money, that is the issue of non-interest bearing securities. ’

Friedman 1948

Strange bedfellow?

Money for a green economy



Strange bedfellow?

‘When economists of the calibre of Simons, Fisher, Friedman, Keynes and Bernanke have all explicitly argued for a potential role for **overt money financed deficits**, and done so while believing that the effective control of inflation is central to a well run market economy – we would be unwise to dismiss this policy option out of hand.

Adair Turner 2013

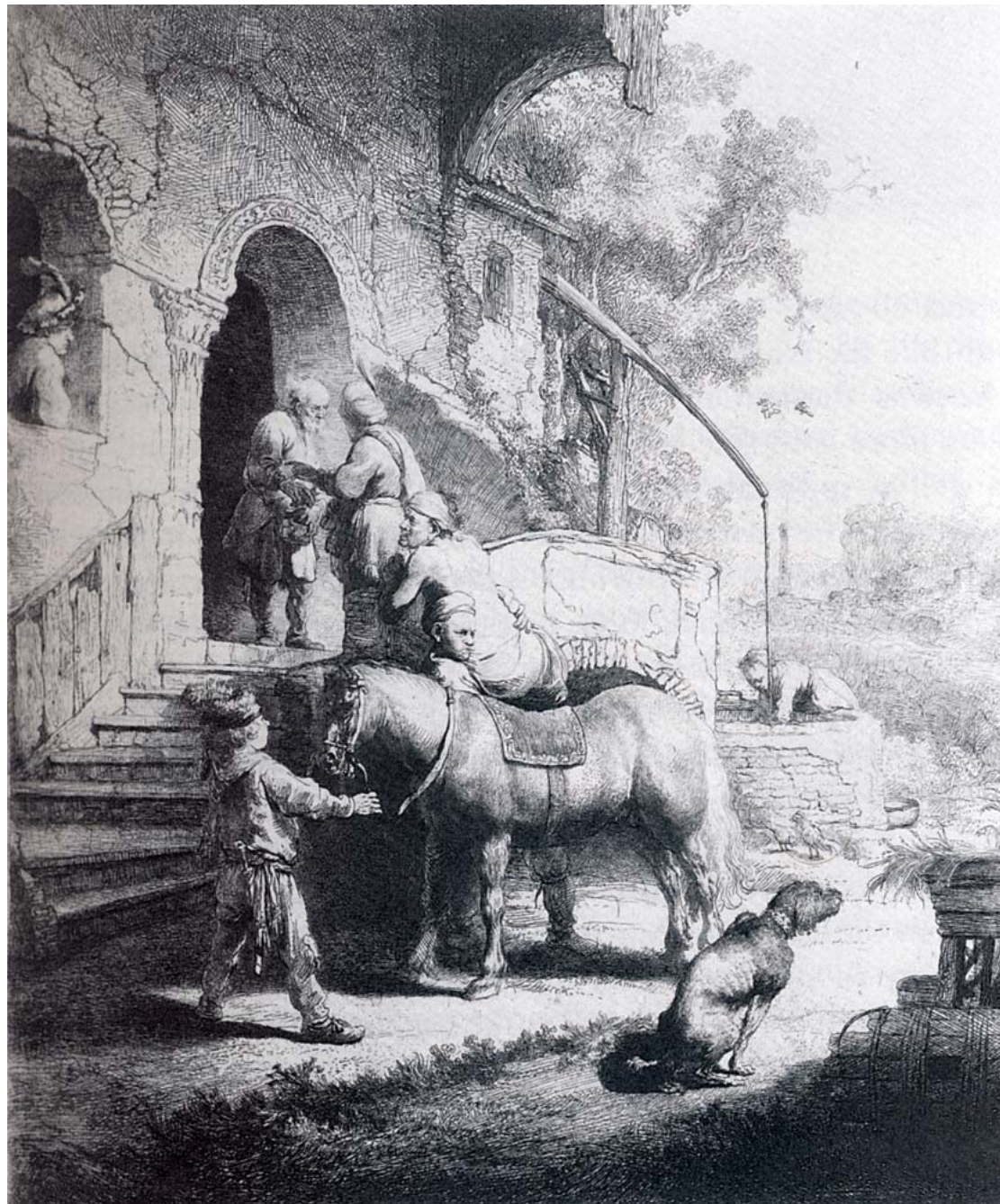


International Monetary Fund

The CHICAGO PLAN Revisited

Bank runs can obviously be completely eliminated...

It would lead to an instantaneous and large reduction in the levels of both government and private debt, because money creation no longer requires simultaneous debt creation...



Where is the green economy?



‘Capitalism is the astounding belief that the most wickedest of men will do the most wickedest things for the greater good of everyone’.

John Maynard Keynes

Where is the green economy?



The altruist within?

- **enterprise**
 - in the service of others
 - care, craft and culture
 - cooperative and not for profit forms
- **employment**
 - sharing work
 - the 'amateur' economy
- **investment**
 - social and ecological returns
 - impact investment
 - peer to peer
- **money**
 - seignorage as a public good



Prosperity can only be conceived as a condition that includes obligations and responsibilities to others.

Zia Sardar 2007

A black and white sketch of a man and a woman sitting on the ground. The man is on the left, wearing a long tunic and sandals, looking towards the woman. The woman is on the right, wearing a headscarf and a long tunic, looking back at the man. They are sitting on a rocky or uneven surface. In the background, a horse is standing, and a saddle is hanging from a post. The sketch is done in a simple, expressive style with visible lines and shading.

Thanks for listening...
@ProfTimJackson

