

WAGES AND INCOME BEYOND PRODUCTIVISM

**JUST TRANSITION BEYOND GROWTH
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BEYOND PRODUCTIVISM?

- Productivity, wages, growth as naturalized relationship
- Historicise 'productivist' settlement
- Reveal contingency/alternatives
- Continuity with Green New Deal
- Necessity of rethinking modern economic categories
- Centrality of money

THE PRODUCTIVITY–GROWTH NEXUS

- **OECD – Productivity**

- ‘measures how efficiently production inputs, such as labour and capital, are being used in an economy to produce a given level of outcome

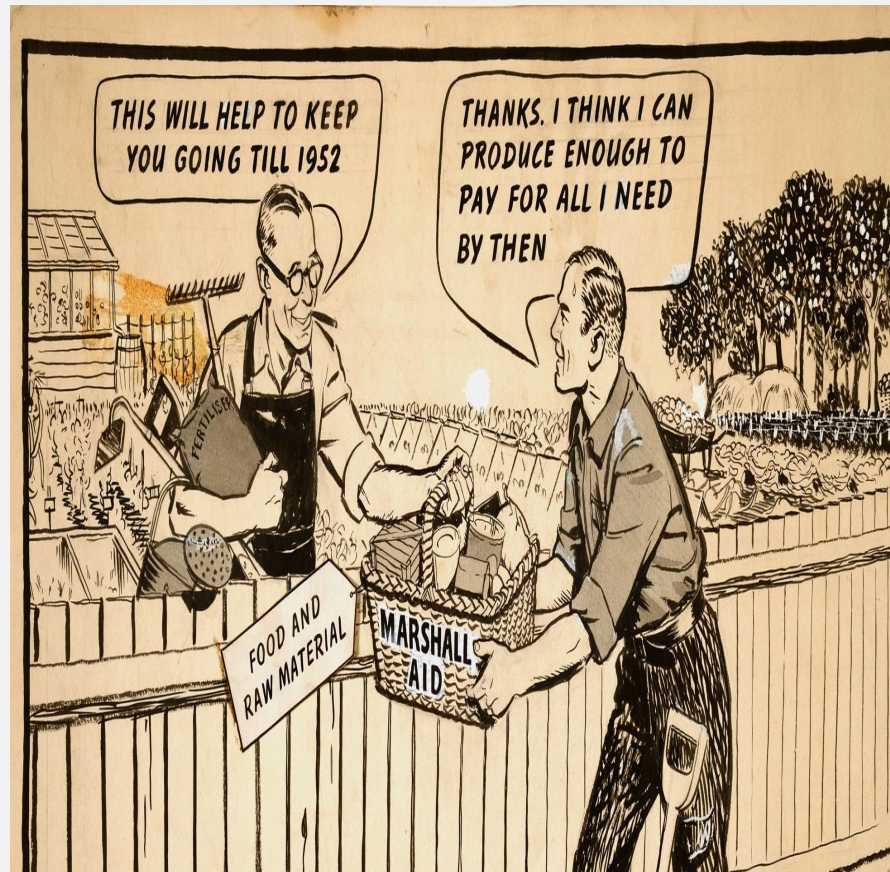
- **GDP per hour worked**

- Nexus between productivity and growth
- Efficiency reduces costs, raises demand, prompting expansion
- Without increased demand, efficiency gains reduce need for labour lead to higher unemployment
- Efficiency does not refer to ecological impacts

HISTORICAL ORIGINS OF PRODUCTIVISM

- How did this emphasis on the link between productivity, wages, and growth emerge?
- Neoclassical economics – wages linked to marginal productivity
- Rise of GDP as statistical imaginary 1930s/40s

- (Maier, 1977) ‘The Politics of Productivity’
- US post-war vision transformed **political issues** into problems of **output**
 - ‘to adjourn class conflict for a consensus on growth’
- Marshall Plan aid excluded radical unions and parties
- Expansion of European oil refinery capacity (5x, 1948-1955)
- Productivist framework secured through high growth, rising wages, high employment
- Causally linked to Great Acceleration



PRODUCTIVISM AND THE GREEN NEW DEAL

- Productivist informs the Green New Deal
- New Deal-era economics – maximising output and employment
- Contradiction between objectives **a)** sustainability **b)** extractivist logics of productivism
- Financing techniques assume **investment returns/growth**
- European Green Deal – economic growth ‘decoupled from resource use’
- Creation of ‘jobs and growth’



MONETARY TRANSFORMATION

- Debt-based money system requires income growth for repayment
- Income growth linked to productivity
- Monetary creation/planning in the public interest
- Special purpose localized currencies (Hornborg, 2017; Douthwaite)
- Currency transition is a power transition

THANK YOU!