

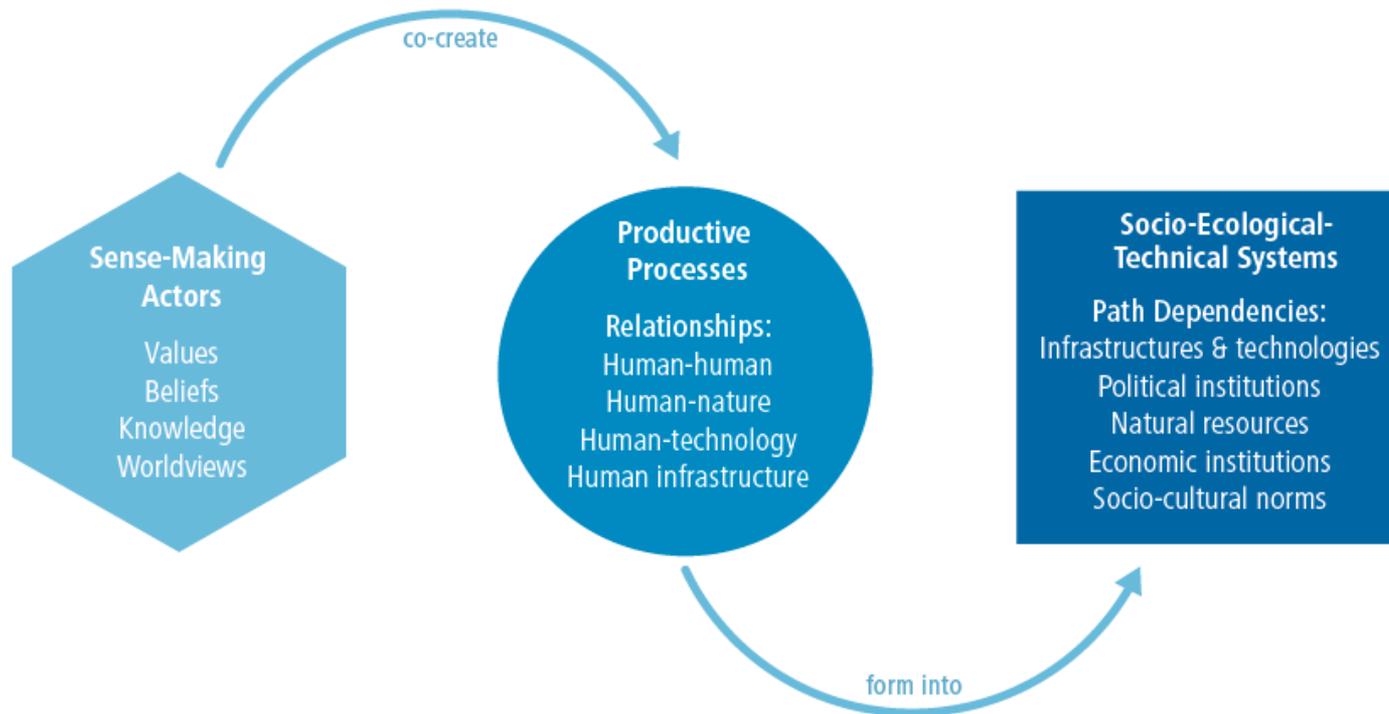
Poking the Purpose of Economies

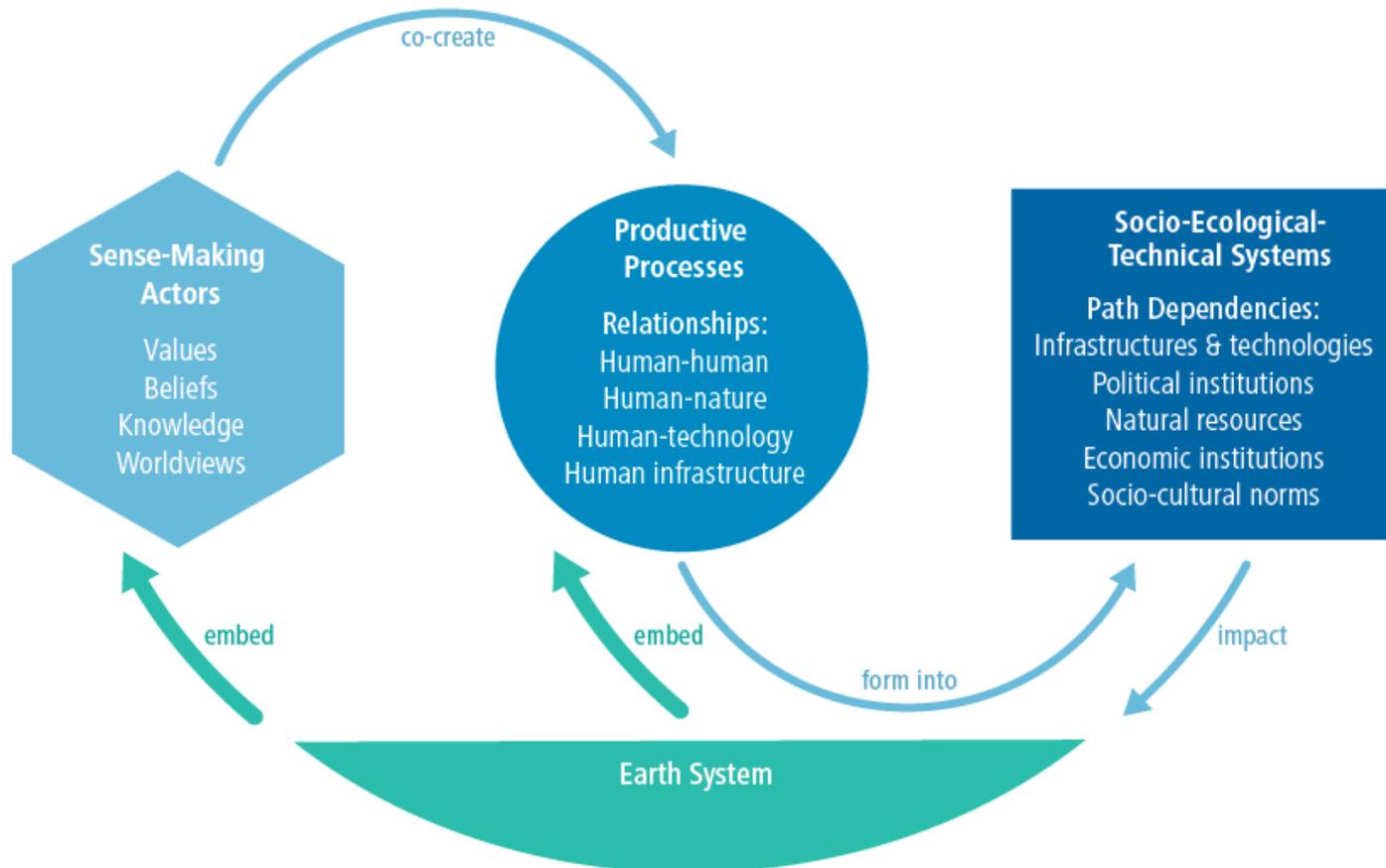
What might an economy be for, anyway?

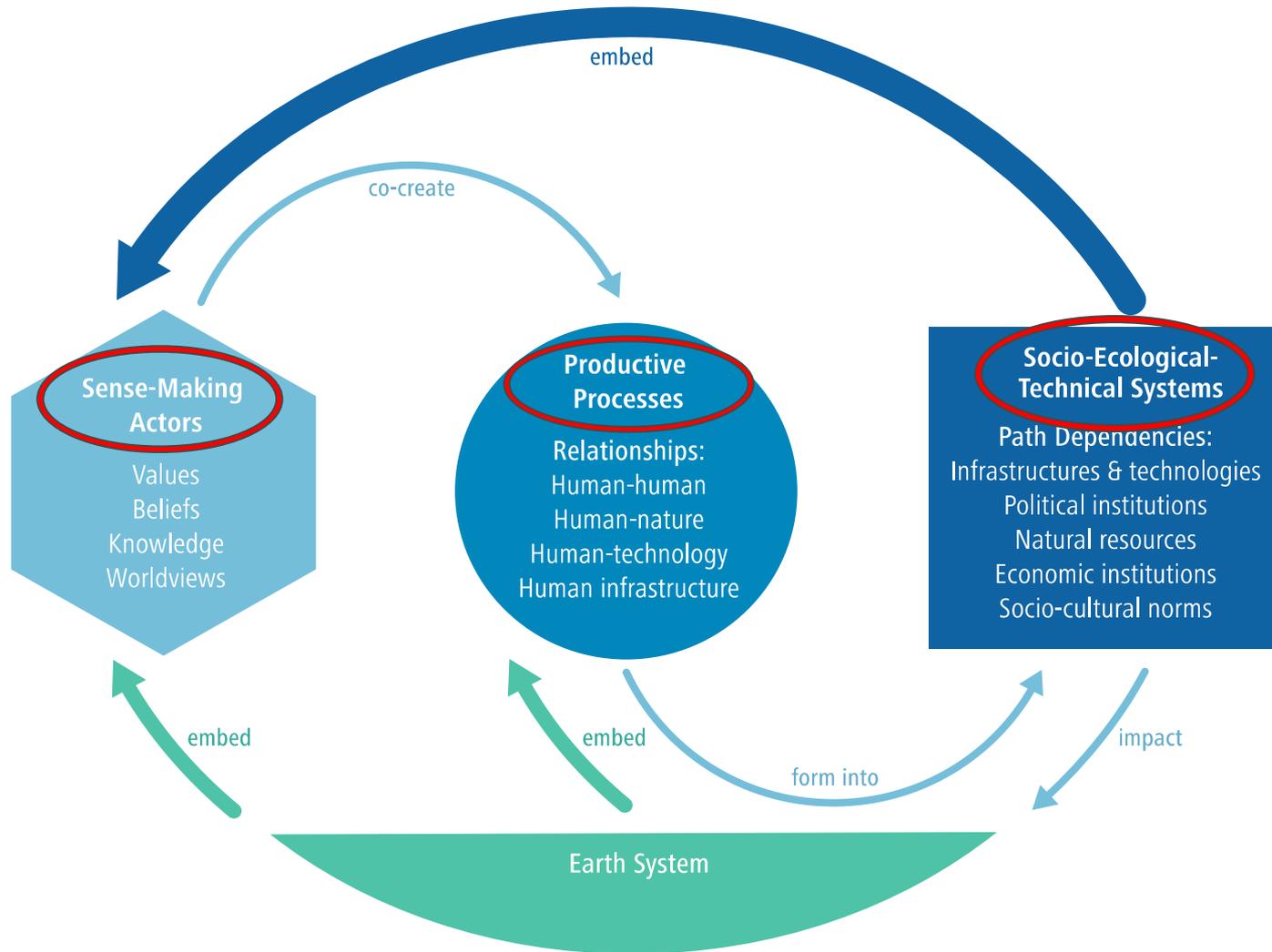
1. THE BASIC QUESTION – WHAT ARE ECONOMIES?
2. THE WIDER CONTEXT – TODAY'S ECONOMY
3. THE BIG ASK TODAY – PURPOSE OF POLICY MAKING
4. THE THEORY OF PRACTICE – PARADIGM POWER

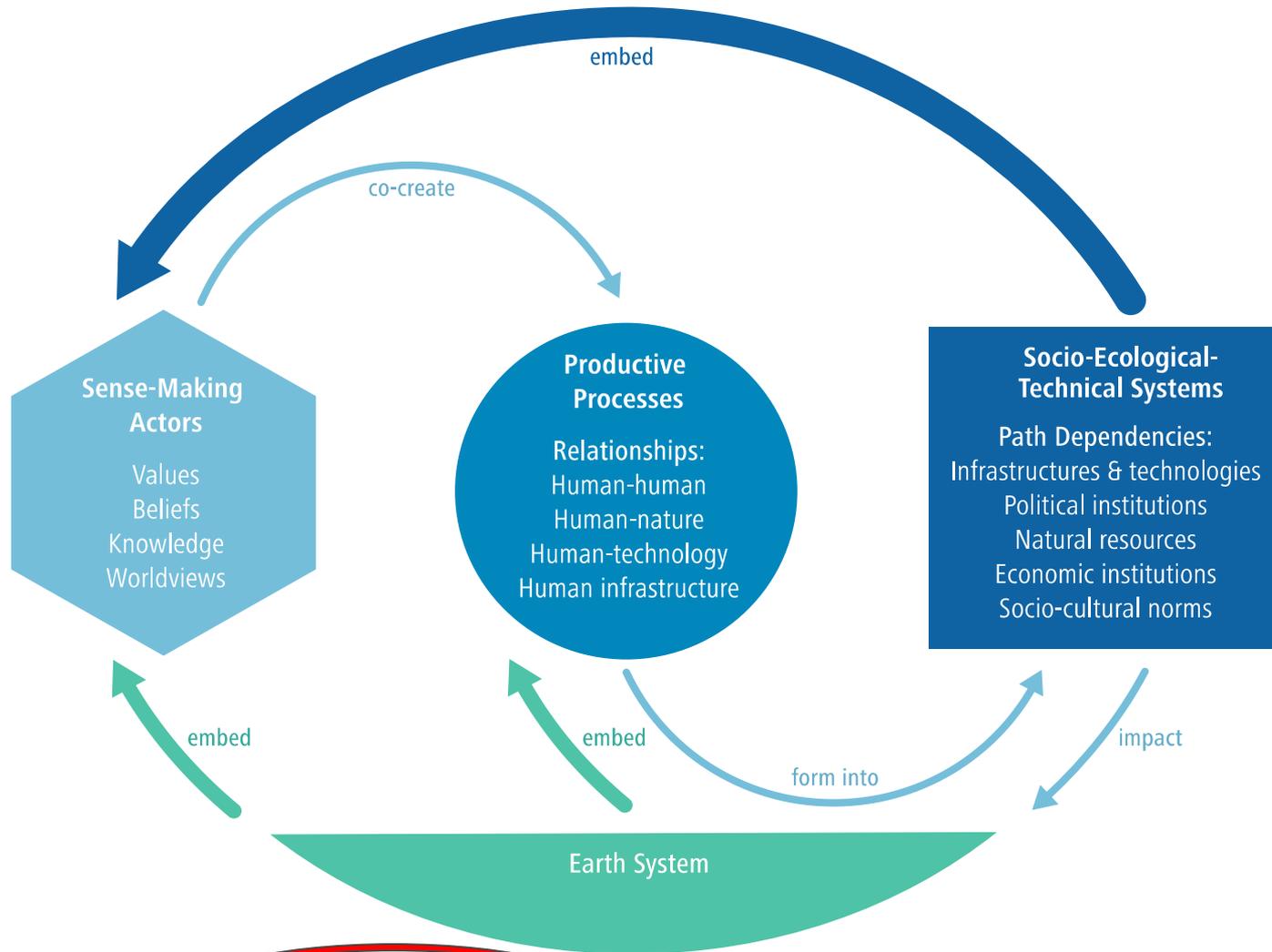
WHAT ARE ECONOMIES?

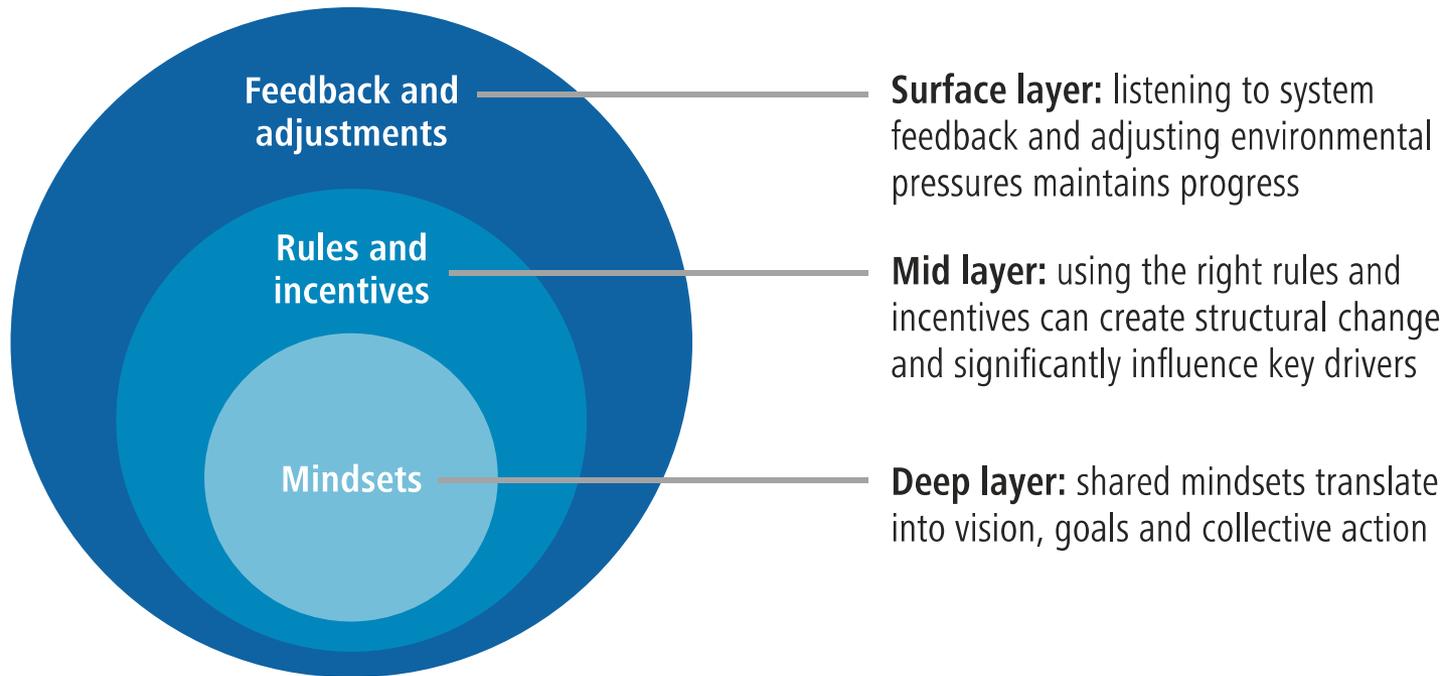
What do we mean by “economies“











ECONOMY TODAY



“Success”



“Progress”



“Development”



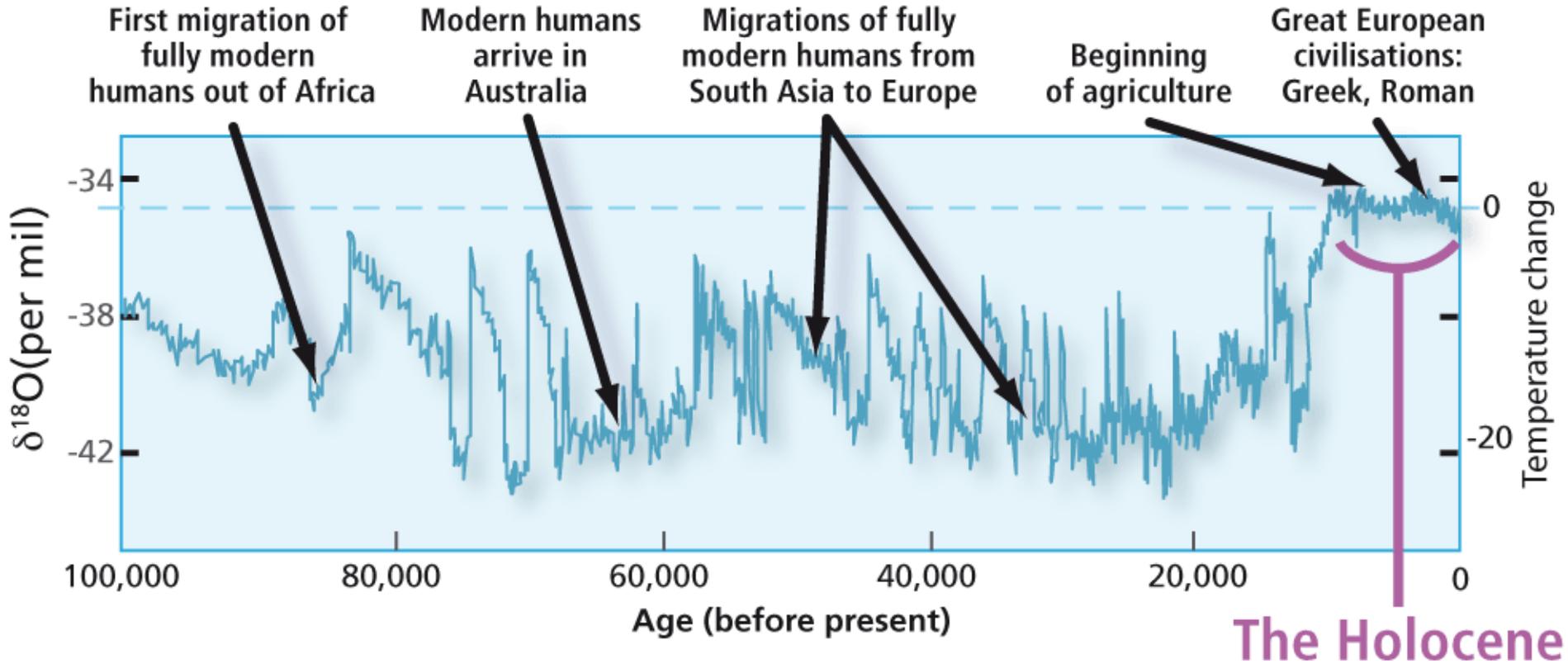
“Return on Investment”



“Economic Success”

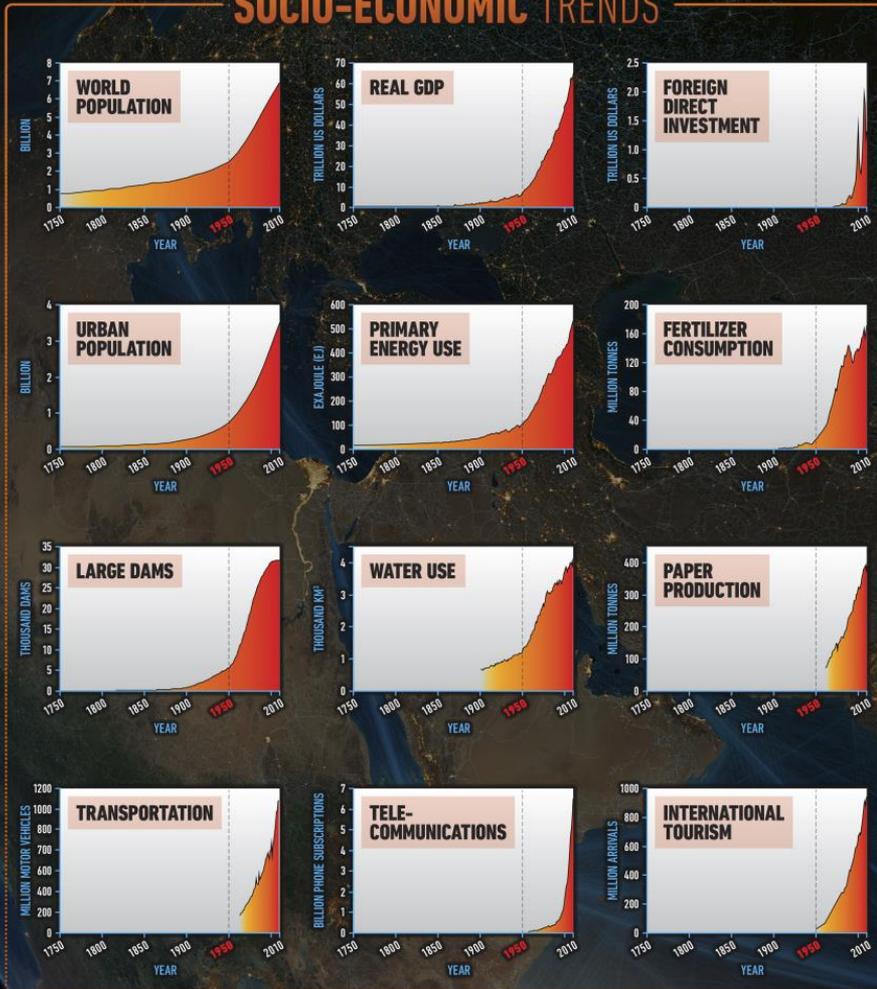


“Quarterly Reporting”

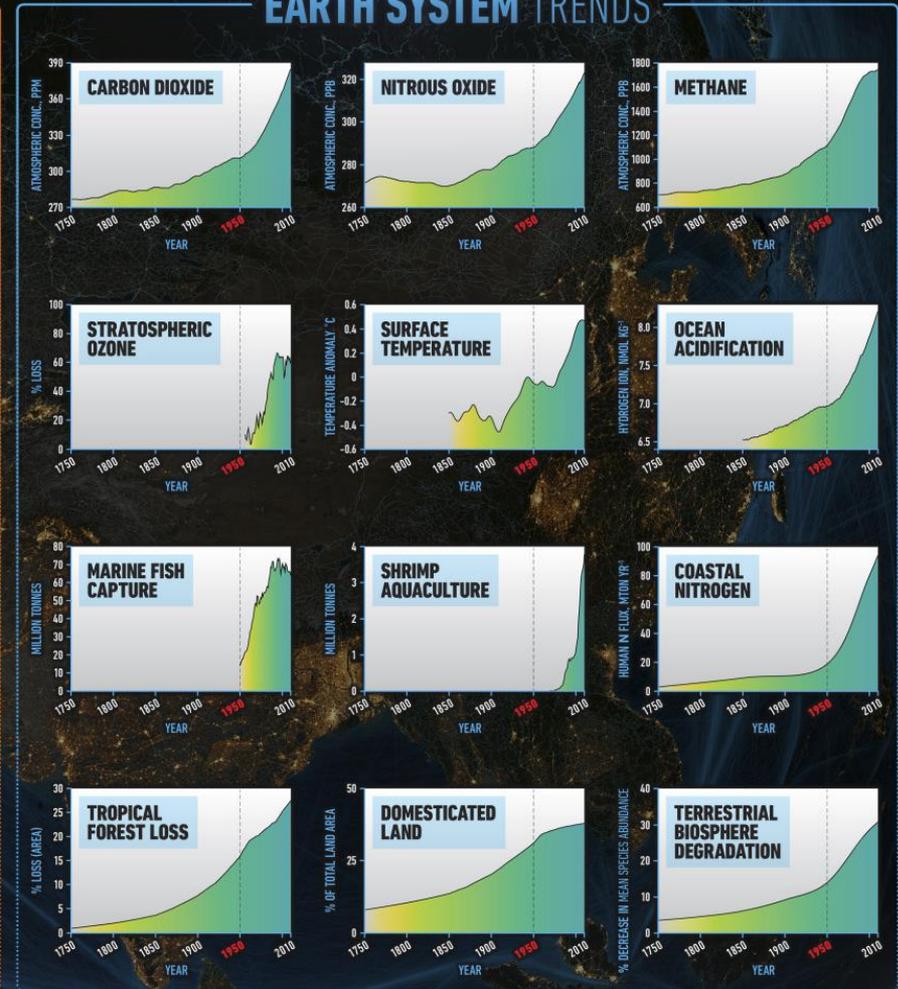


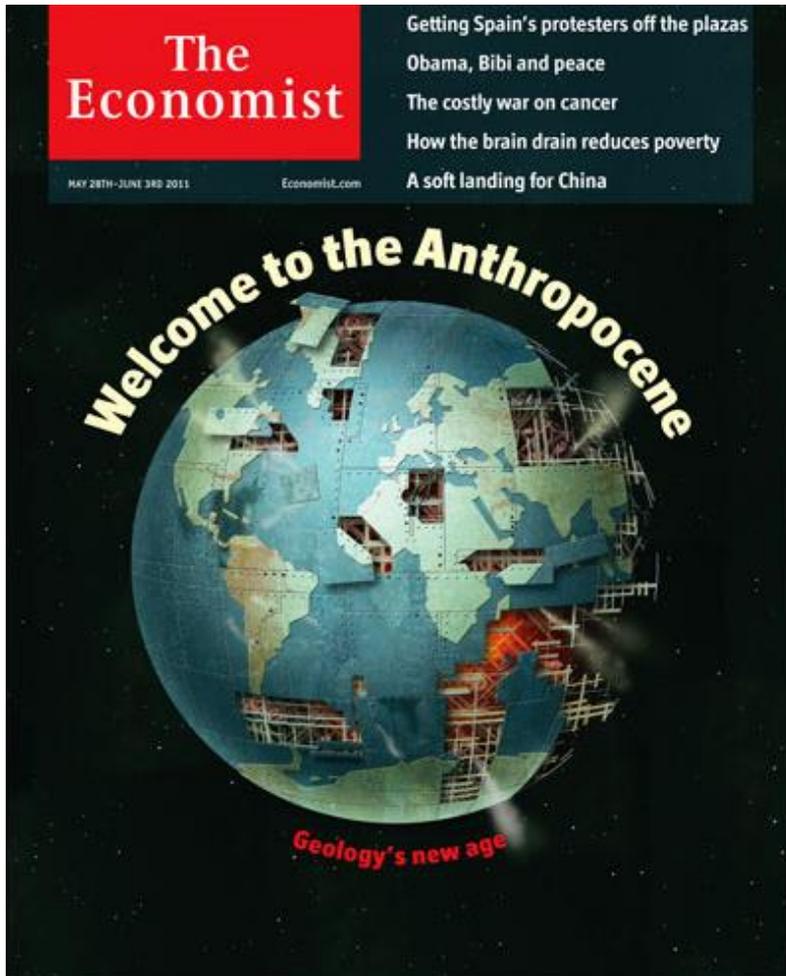
THE GREAT ACCELERATION

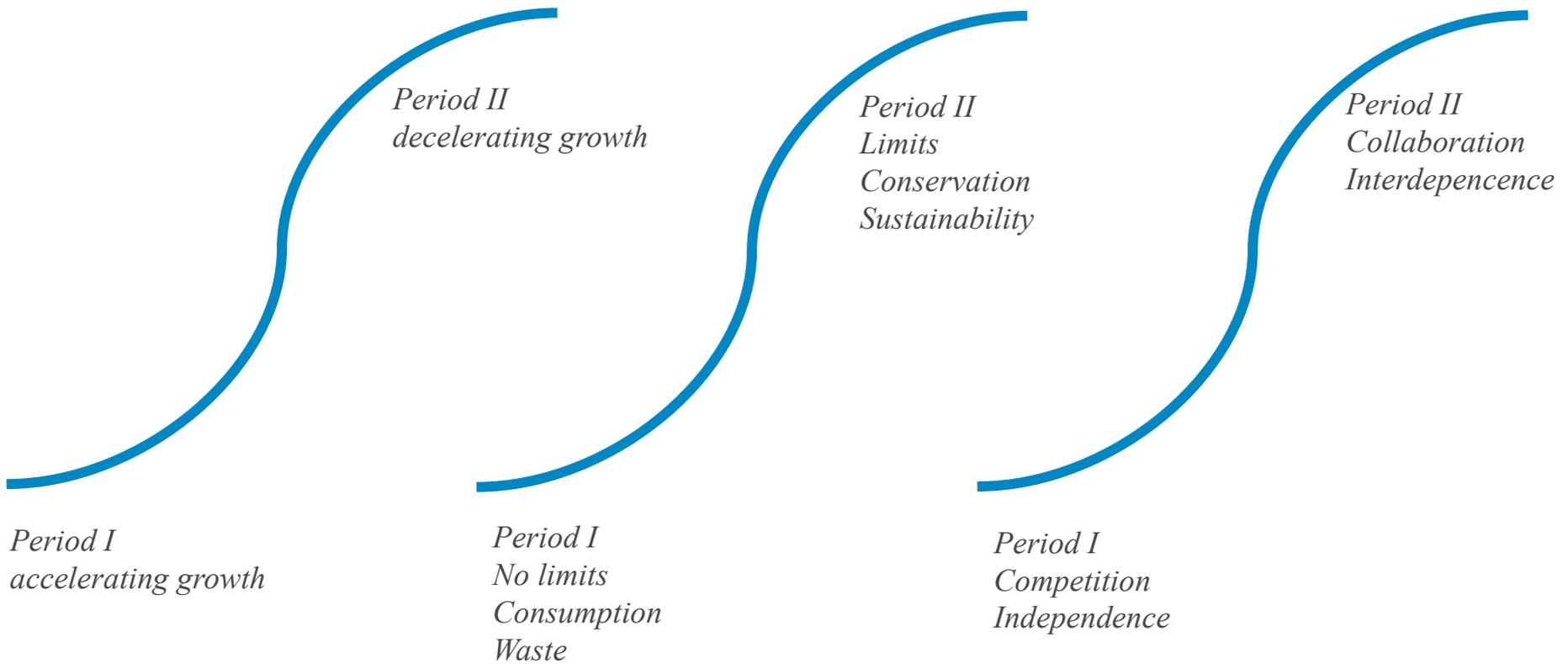
SOCIO-ECONOMIC TRENDS



EARTH SYSTEM TRENDS

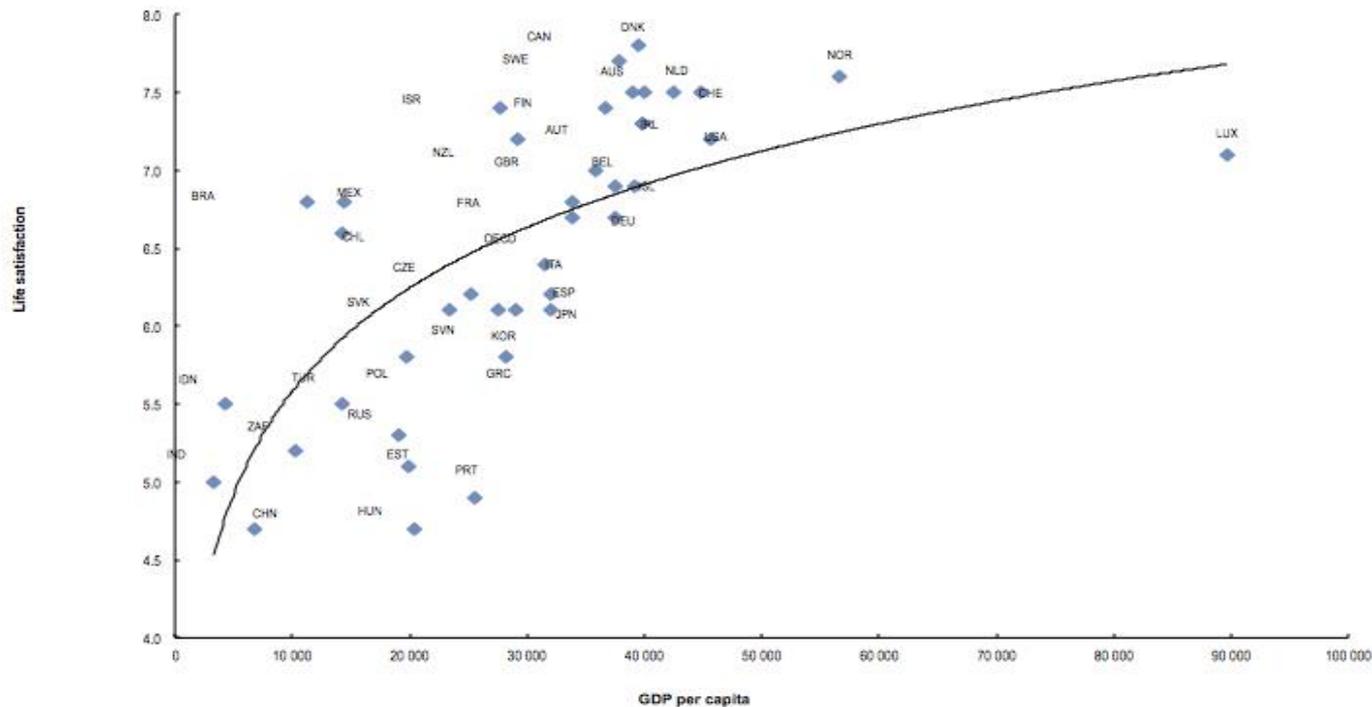






- Easterlin Paradox: Income and Happiness Decouple

Figure 12.3. Life satisfaction versus GDP per capita
Cantril ladder, 2010



OECD report How's Life? 2011

- More important: health, income security, relative rank in society, social relations,



*„YES, THE PLANET GOT DESTROYED. BUT FOR A BEAUTIFUL MOMENT
WE CREATED A LOT OF SHAREHOLDER VALUE.“*

PURPOSE OF POLICY MAKING

pur·pose

/ˈpərpəs/

Noun

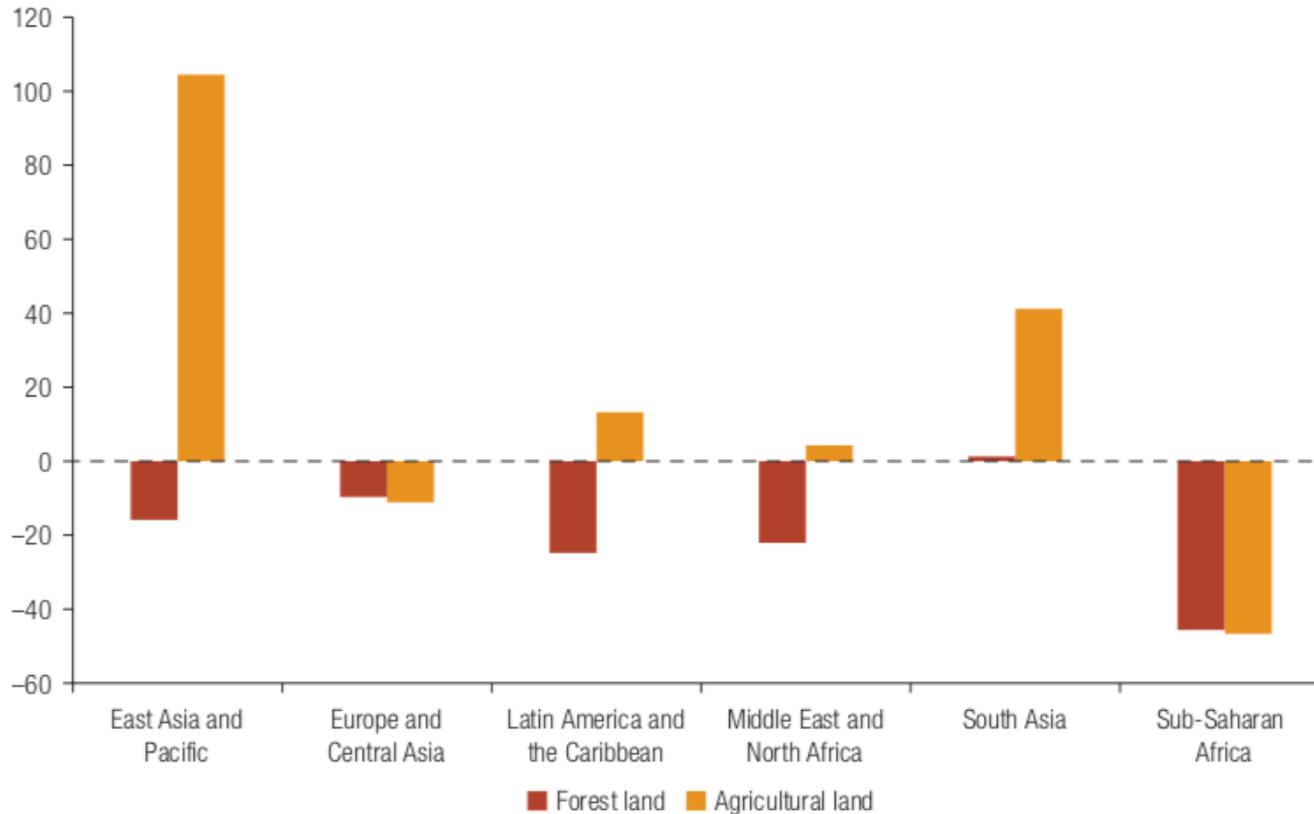
The reason for which something is done or created or for which something exists.

Solidarity to protect lives today

Solidarity to protect fair living tomorrow

Solidarity to protect living conditions the day after tomorrow

FIGURE ES.4 Change in Per Capita Value of Forest and Agricultural Land, 1995–2014
percent

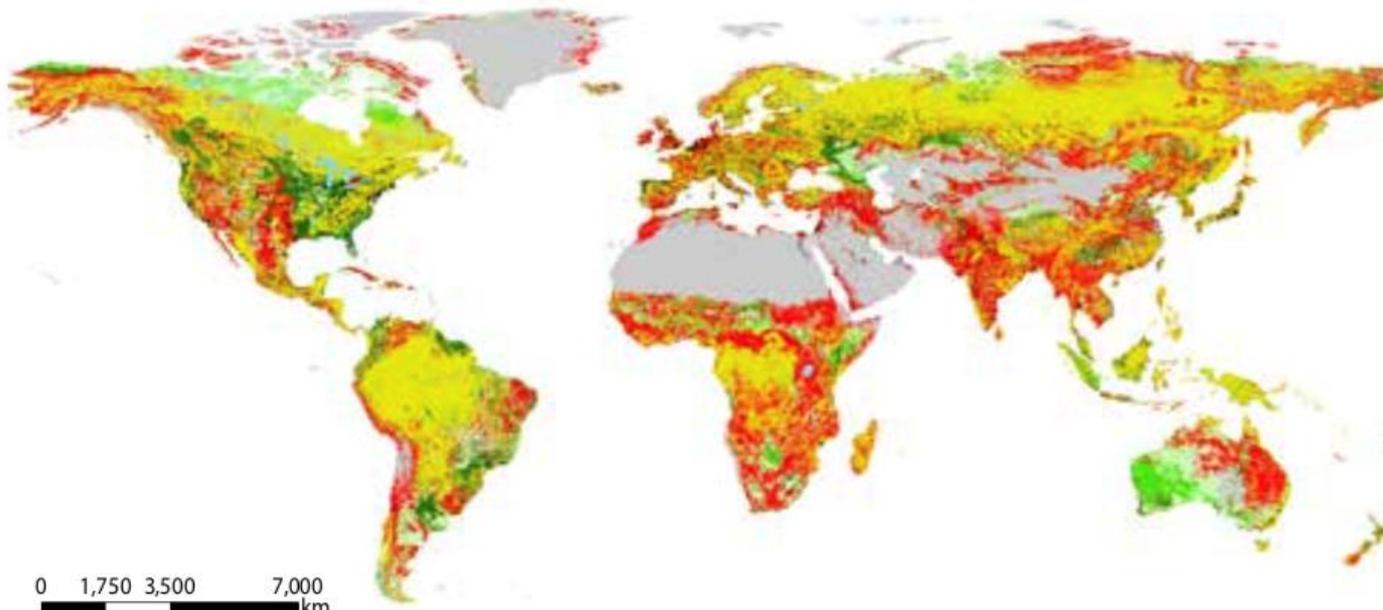


Source: World Bank calculations.

Note: Only low- and middle-income countries are included.

... because the *use* value of money or data is nil

Figure 3 Status of land in regard to capacity of ecosystem services, degradation and direction of changes



More than half of the synthetic nitrogen fertilizer ever produced was used in the past 25 years or less.

- low status; medium to strong degradation
- high status; medium to strong degradation
- low status; weak degradation
- low status; improving
- high status; stable to improving
- barelands
- urban land
- water

Source: UNEP 2012b based on Nachtergaele et al. 2011

Comparative extrinsic value orientation reduces quality of life and increases anxiety and depression



Cost-benefit lens reduces social-environmental responsibility and creative performance



Maximizing...

growth

innovation

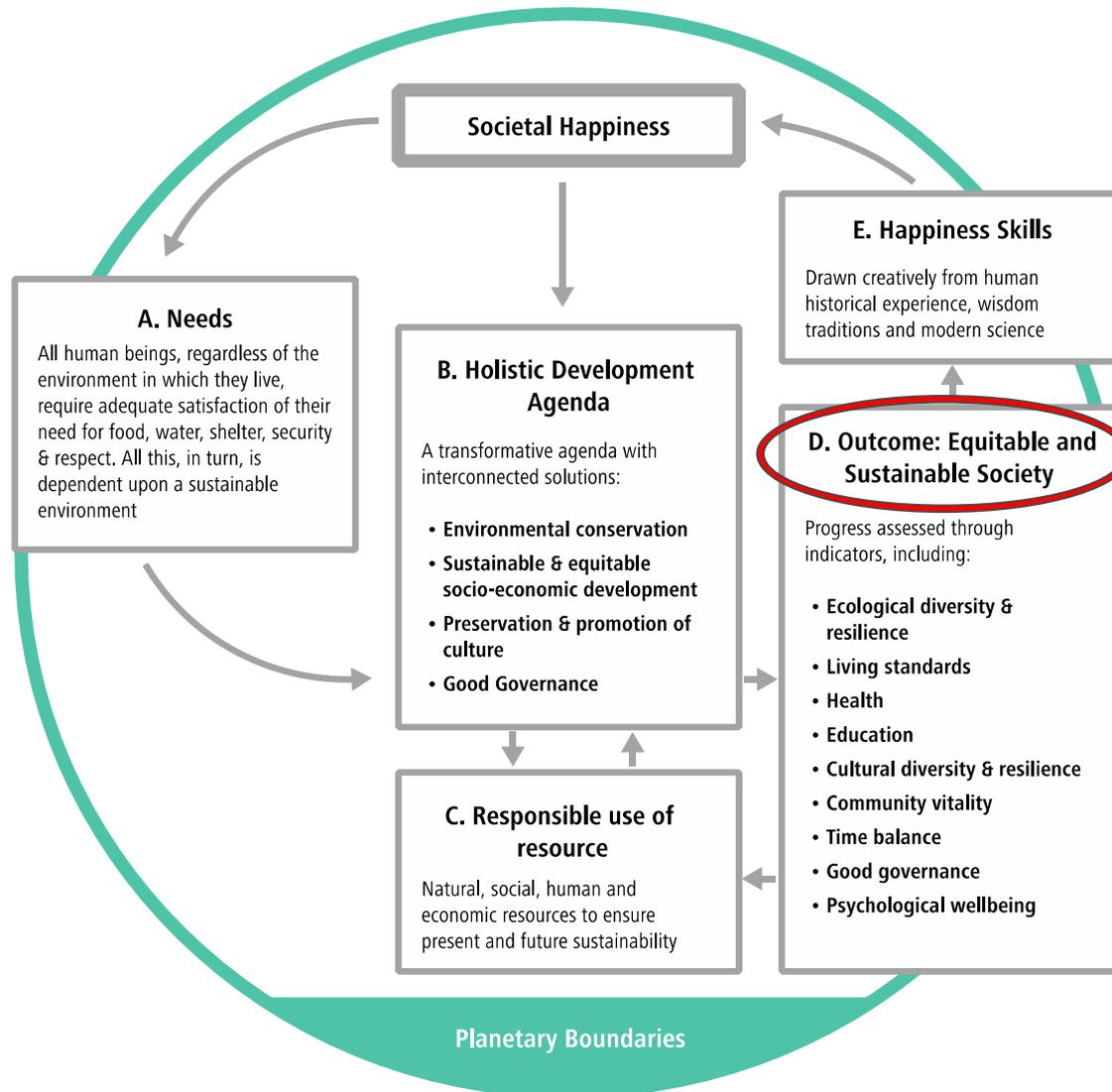
profits



output

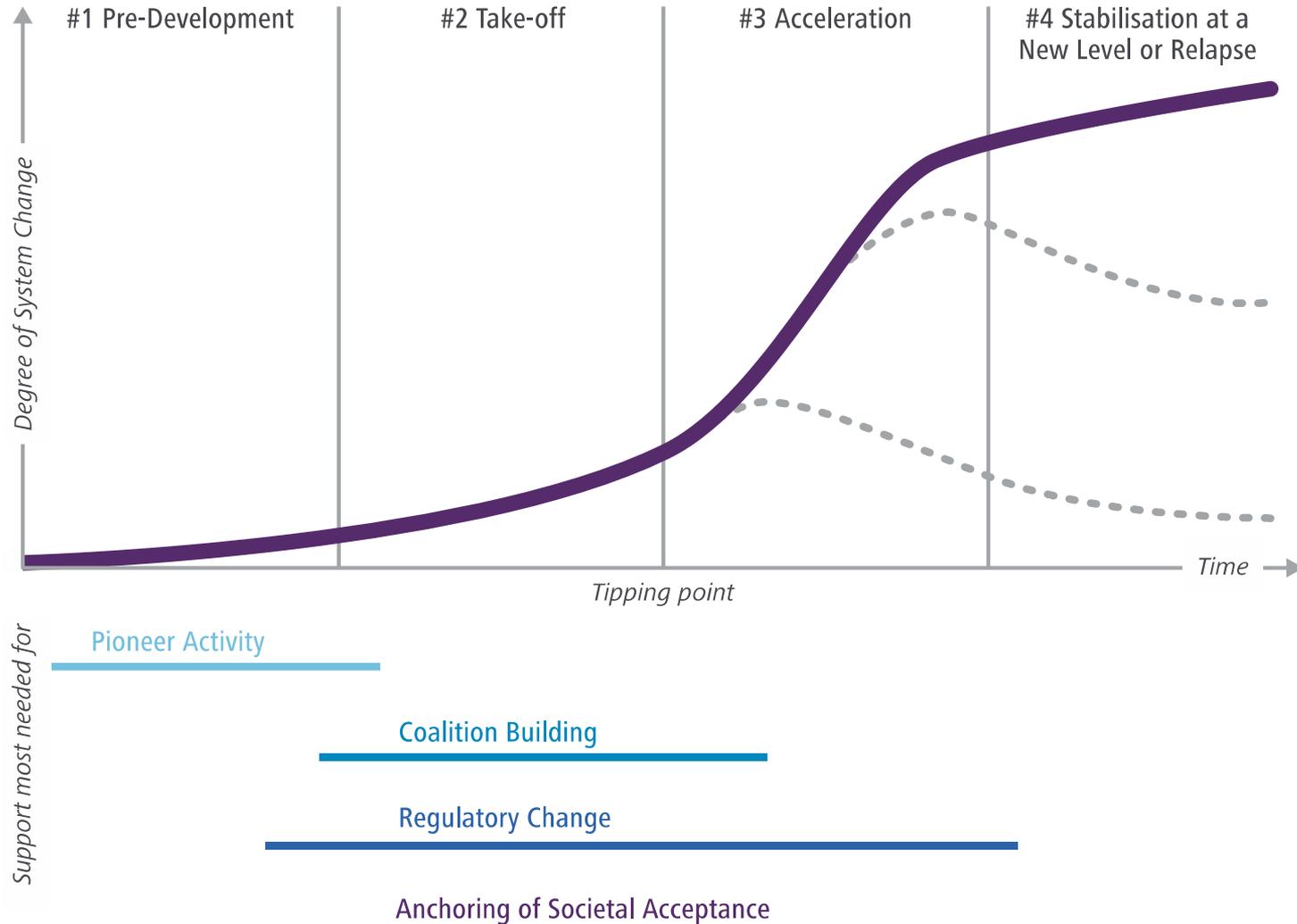
productivity

competitiveness



PARADIGM POWER

Paradigms as anchor for Radical Incrementalism



The Big Ask – New Purpose: How can we achieve high levels of wellbeing for 10 billion people @ low enough ecological footprints?

Paradigm Shift: New Architecture of Awareness with multidimensional indicators of progress (deep layer) & all means as options!

Rules: Innovate key system structures and key performance indicators to serve this purpose (mid layer rule and incentives)

Solutions: Persistently drive socio-technological innovations towards new purpose, adjusting to system changes (surface layer feedbacks)

Capacity: Which actor coalitions for spread of new rules and solutions and how to use shocks strategically, like the next financial crisis?

