

Pluralist Economics Workshop

The Global Economy CEMUS

Rethinking Economics Uppsala

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Why Rethink Economics?

- Too often mainstream economics:

...is narrow , uncritical and detached from the real world

...leaves no room for discussion and debate

...and is too complex to be understood by everyone



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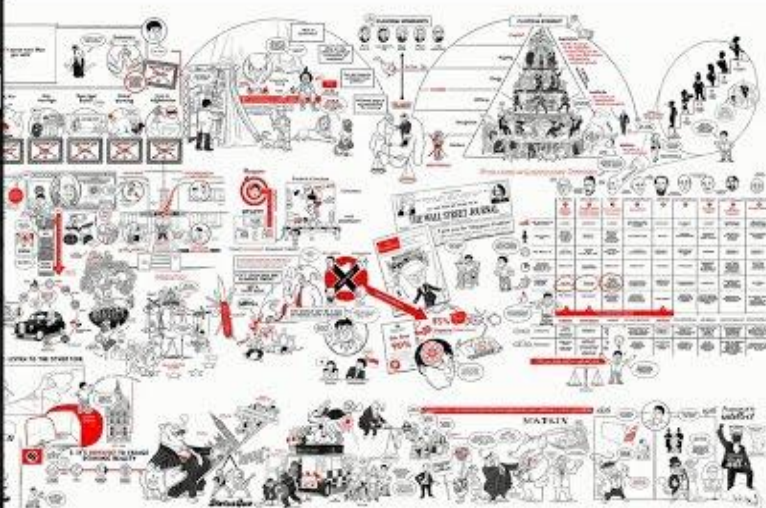
- Founded January 2018
 - Students, community members
- Our goals:
 - Space for pluralist economic debate
 - Pursue active and meaningful change in teaching of university-level economics
 - Engage wider Uppsala community in inclusive and approachable manner



Economics is for Everyone

RSA

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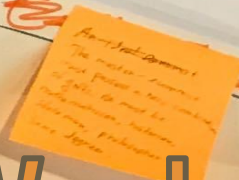
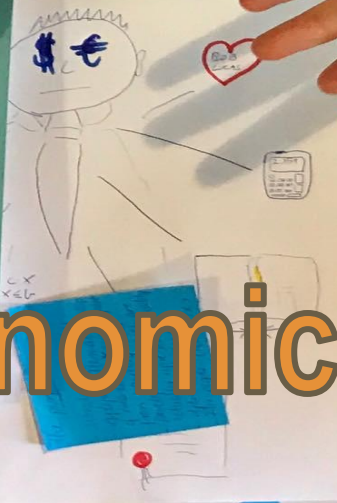
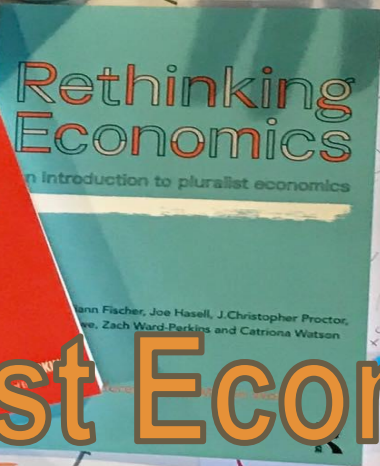
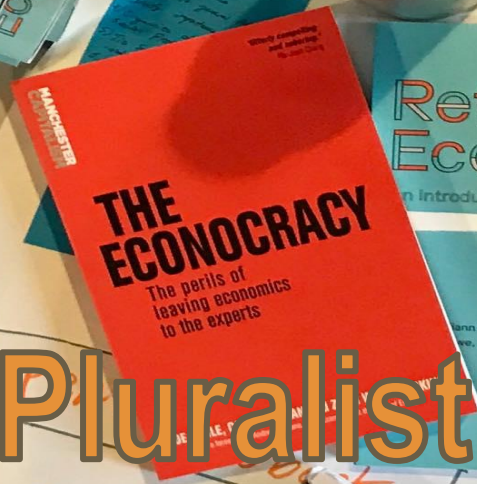


Time to move around!

- Economic growth is the solution to the biggest problems society faces
- “Sustainable Growth” is possible
- Social problems should take precedence over environmental concerns



Pluralist Economics Workshop



$$E = f(m, n, s, \dots)$$

reflected world

- students should talk to read current affairs
- talk to politicians



Crash Course in Alternative Schools

Post Keynesian Economics

- Economy constrained by demand
- Institutions should intervene to stimulate the economy by increasing demand
- The future is fundamentally uncertain and decisions are made through gut feelings

Marxian Economics

- Value comes from labour
- Freedom of the workforce, or labour, is critical to the economy
- Workers should be more connected to the output of their work
- Power relations are identified within the economy

Crash Course in Alternative Schools

Austrian Economics

- Very critical of all governmental intervention
- People know best about their individual economic situation, and information is lost as it travels up government or corporate hierarchies. Decisions should be made at the most local level possible, where the most information is

Feminist Economics

- looks at full economic lives of people, both inside and outside of markets.
- GDP is an inaccurate measure of the productivity of the economy: it only measures the market economy, leaving out all the economic activities in which money does not change hands (human wellbeing, care, households)

Crash Course in Alternative Schools

Ecological Economics

- The economy is situated within society, and society is within the environment.
- Economics must focus on social and environmental problems that are anchored in the real world, not an economics textbook.
- Nature has intrinsic value, outside of the market
- Sustainability plays a vital role in ecological economics.

Behavioural Economics

- People mostly do not behave according to most economic theories. Decisions are often made through shortcuts.
- There will always be unexpected consequences of policy decisions. Prepare for them.
- Don't assume that markets will simply give people what they demand. Markets can create results that no one wants.

Test Study - Youth employment in Greece

Greece has suffered from a decade of crisis, with huge national debt, no opportunity to devalue their currency and limited international financing. Youth unemployment in Greece is currently at 38% and GDP growth in 2018 was 1%.



You are hired as a consultant to the Greek government to try and improve the employment situation and revitalise the economy

-(Neo) Classical: Cut government costs (Austerity), reduce taxes on business.

-Keynesian: Plan huge national infrastructure projects and employ local people, use local materials and charge the economy

-Austrian: Reduce regulation on private businesses and let the markets take the burden

-Marxist: Collective production and a more equal distribution society

-Ecological: Forget about GDP growth, Introduce taxes on carbon and focus on quality of life improvements

-Feminist: Employ youth in caring for the elderly, reduce working time and implement a basic income

The Norwegian government has hired you as a management consultant for a future path for their petroleum sovereign wealth fund.

Norway's government established the Government Pension Fund Global (the Oil Fund) in 1990 to invest surplus government revenues from the country's petroleum sector. Various issues of debate exist with the fund, including whether the country should use spend more now toward the State budget, or further save the funds for the future. Another is the fund's high level of exposure (around 65% in 2017) to the highly volatile global stock market. Some also question the basic ethics of the Fund given its revenues from fossil fuel extraction. Therefore, the Norwegian government seeks your input on how they should diversify the Fund and its investments for the future.

- The Fund has over US\$1 trillion in assets, including 1.3% of global stocks and shares, making it the world's largest sovereign wealth fund.
- In May 2018, the Fund was worth about \$195,000 (1,676,122.50 NOK) per Norwegian citizen.
- Many companies are excluded from the Fund on "ethical" grounds, including tobacco, military weapons, and environmentally damaging companies.



How would you advise the government to proceed?

You have been hired as an economic advisor to the Swedish government.

Today, this report landed on your desk:

Sweden is widely regarded as having a resilient economic record in the last decade. GDP growth was 2.4% in 2017, and is predicted to continue expanding for the near future. Some have suggested that increasing capacity at Arlanda Airport, “the world’s gateway to Scandinavia”, could be one way to maintain and foster this economic growth. Arlanda is owned by the Swedish Government, and the advocated expansion is expected to cost around SEK 13 billion:

- Arlanda’s total number of passengers is expected to grow from 25 to 40 million over the period until 2040
- Foreign tourists who arrive via Arlanda currently spend SEK 60 billion on shopping, accommodation and food in Sweden
- 17,000 jobs are directly linked to Arlanda and 50,000 indirectly (swedavia.com, 2018)
- The airport is attempting to be carbon neutral in ground operations by 2020. It is claimed that this makes Arlanda a sustainable airport example for the rest of the world



How would you advise the government to proceed?

How did the government proceed?

The government allowed the state-owned airport company Swedavia to expand Arlanda Airport with 14 new gates and new buildings to make room for more travellers.

Reactions

Activists and environmental movements are petitioning to stop the expansion of Arlanda Airport.

The Norwegian government has hired you as a management consultant for a future path for their transition to a carbon free economy by 2050

Norway's has written its target of becoming carbon neutral by 2050 (zero emissions by 2050) into a law. Although Norway intends to reach its target mainly by offsetting its carbon emissions using quotas bought on international markets, there is a need to transition to a fully electric energy and transportation sector. This transition will require vast amounts of minerals.

A project is proposed to mine for copper in Finnmark in the Arctic circle (up to 66 million tons of copper ore are believed to be in ground). The copper will be used to build electric vehicles and wind turbines which the government says are essential to help the economy move beyond carbon.

Finnmark is a region where the Sami people live. The mine is expected to bring jobs and capital in to the region, however it could potentially disrupt existing reindeer herding. Debris from the operation will be left in Repparfjord, where residents livelihoods depends on fishing.



How would you advise the government to proceed?

What did the government decide on?

The project was given the green light by local officials in 2012.

Early 2019, The Norwegian government gave the final permit to Nussir ASA to begin mining operations.

Reactions

Environmentalists and activists consider taking legal action.

More than 2,500 people already signed up to carry out civil disobedience against Nussir's project.

How is this useful for your future projects?

- **No Silver Bullet** : There is not one perfect school of thought which answers every problem
- **Pluralism**. A combination of many schools / ideologies will always strengthen the viability of a solution
- **Challenge established assumptions**. Issues such as free trade, profit maximisation, and GDP growth were long thought to be sacred - but this is changing
- **Challenge Yourself**: See things from other perspectives and think that there may be other methods to answer the same problem



Thank you for your attention

Our next events

- What Value Counts? A workshop on Ecosystem Services
 - Wednesday 2 October
Biotopia
- Screening: Feminist Economics
Sex, Lies and Global Economics
 - October
- Thesis Preparation / Inspiration

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