



INITIATIVE GROWTH .. TRANSITION

Growth and ... from the National to the Local Level. A European Perspective

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Presentation @ Growth in Transition – a key to success Dubrovnik, 3rd October 2014







The Austrian science-policy stakeholder dialogue on Growth in Transition

Regional Fairness in Times of "Growth in Transition": Some Food for Thought and Discussion









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Goals and vision of the

Austrian science-policy stakeholder dialogue on Growth in Transition

- Long-term vision is an economy that is orientated on public welfare instead of economic growth
- More detailed work with the 10 topics of the 1st conference
- Discussion about a stabilization of the economic system
- Booklet for partners and interested people









Core questions

- How does economic growth affect ... ?
- How is economic growth affected by ... ?
- What could contribute to a new model of prosperity?
- What do we learn from it?









How does economic growth affect...

Quality of life:

- Above a certain level of income economic growth does not contribute to more quality of life
- Less economic growth does not lead to a lower quality of life

Public expenditure:

- Direct impact
- Indirect impact









How does economic growth affect...

Labor:

· Little empirical evidence that economic growth leads to higher employment rates

Agriculture & ecosystem-services

- Lower economic growth rates lead to a reduction of agricultural subsidies
- Two possible developments: higher demand for cheap food higher demand for an intensified food quality









How does economic growth affect...

Macroeconomic resilience:

• Due to absolute planetary boundaries is economic growth limiting macroeconomic resilience

Resilience of companies

- Crises influences the resilience of companies in a negative way
- Need for long-term strategies in order to extend the resilience of companies









How does economic growth affect...

Sustainable leadership:

- The limits of growth are already here and exceeded
- Economic growth without boundaries leads to more damage than benefits









How is economic growth affected by...

Quality of life:

- Immaterialism could lead to a higher quality of life
- Less consumption could reduce economic growth

Public expenditure:

- No scientifically proven correlation between high public spending and long-term economic growth
- Stimulating expenditures
- non-stimulating expenditures









How is economic growth affected by...

Labor:

 Contributes to economic growth but its influence is not always clear

Agriculture & ecosystem-services:

- High economic dependence on soils as a source of e.g. food, water, etc.
- Ecosystem-services contribute positively to prosperity and quality of life









How is economic growth affected by...

Macroeconomic resilience:

• Trade-off between resilience and efficiency

Resilience of companies:

• Wide range of capitals is associated to high resilience

Sustainable leadership:

• Focus on increasing prosperity and quality of life









What could contribute to a new model of prosperity?

Quality of life:

- Shared responsibility
- New political conditions
- Companies
- Research
- Consumers
- Communication

Public expenditure (I):

Influential factors towards a sustainable spending practic









What could contribute to a new model of prosperity?

Public expenditure (II):

• Suggestions: structural reforms, a small and dynamic public management, transparency, etc.

Labor:

- Debate about the core question economic growth vs. higher quality of life and prosperity
- Tax reform towards less labor taxes
- Suggestions: eco-social tax-reform, information about sustainable life-stiles, investment in education, research, etc., minimum wages, etc.







What could contribute to a new model of prosperity?

Agriculture & ecosystem-services:

• Suggestions: efficient use of CAP-subsidies (common agricultural policy), analyses about a changing subsidy-policy, reduced surface-consumption, eco-social tax-reform, subsidies for sustainable regions, etc.

Macroeconomic resilience:

Crisis precaution

Resilience of companies:

Knowledge – acquisition and utilization









What could contribute to a new model of prosperity?

Sustainable leadership:

- Necessary change in politics and economy
- Approaches: sustainable activities, increasing efficiency and quality, awareness raising towards responsibilities, innovations for green products and green jobs









What do we learn from it?

Quality of life:

- Less income is not equal to less quality of life
- Mutual support for each other
- Enhanced focus towards distribution of welfare

Public expenditures:

Need for action is a chance for more sustainability









What do we learn from it?

Labor:

- Actions towards increasing prosperity and quality of life
- Dialogue with decision-makers

Agriculture and ecosystem-services:

- · Actions in sectors such as regional development
- Awareness raising in the society









What do we learn from it?

Macroeconomic resilience:

- Economies facing a huge challenge in terms of macroeconomic resilience
- Economies of the future are going to grow less, different or not at all

Resilience of companies:

• Consideration of different types of capital is a chance towards a higher resilience









What do we learn from it?

Sustainable leadership:

• Priority for political decision makers to reach sustainable development goals









The future

• And: What to do, when the time of growth, as the "great narrative" is over?

We need a positive post-growth vision

- The initiative "growth in transition" will be continued (follow-up activities like events, book, studies)
- Link to Europe 2020-Strategy: Greening the European Semester - target on resource use;









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Quality of Life

European Sustainable Development Strategy (2006):

focusses on well-being and quality of life

- in times of slow growth, housing and food, but also neighbourhood and participation become important
- > this triggers demographe factors such as migration and birth rates
- a chance for local communities!









Work and Human Capital

In times of slow growth

Provide enough good and well-paid jobs

- > for those living in local communities
- > keep competences and abilities in the region

Especially young people value leisure and the quality of their work

> a chance for local communities!









Regional economies

Economic interlacing and share of products traded regionally

- > a key factor for success
- > Increases the availability, accessability and diversity of opportunities for creating income

instead of "buy cheap/sell at high price"

> a chance for local communities!









Resources: natural capital

Reduce the dependence of expensive and increasingl scarce resources from global markets

- > Links local sustainability with global responsibility
- > a chance for local communities!









Visions and strategies are key

Develop a clear vision where to go

- > Coping with uncertainties
- > Derive pathways into a sustainable future
- > a chance for local communities!









Monitoring is crucial

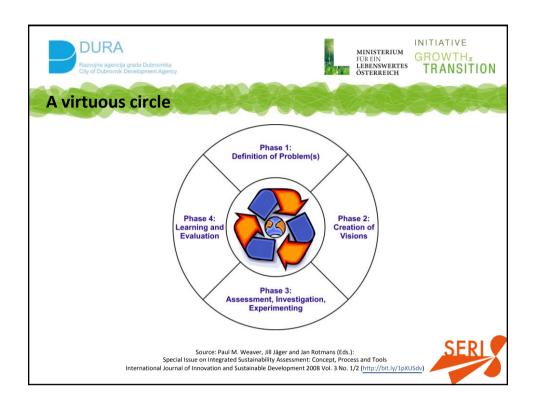
You can't manage what you can't measure

- > Economic performance (regional **GDP**)
- Quality of life
- > Resource use

Plus jobs, distribution, innovation, education

> a chance for local communities!







- What to do, when the time of growth, as the "great narrative" is over?
 - We need a positive vision beyond growth
- The initiative "growth in transition" will be continued (follow-up activities like events, book, studies; conference in spring 2016, a possible COST action)
- Link to Europe 2020-Strategy:
 Greening the European Semester targets on resource use;
 quality of life and economic performance
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