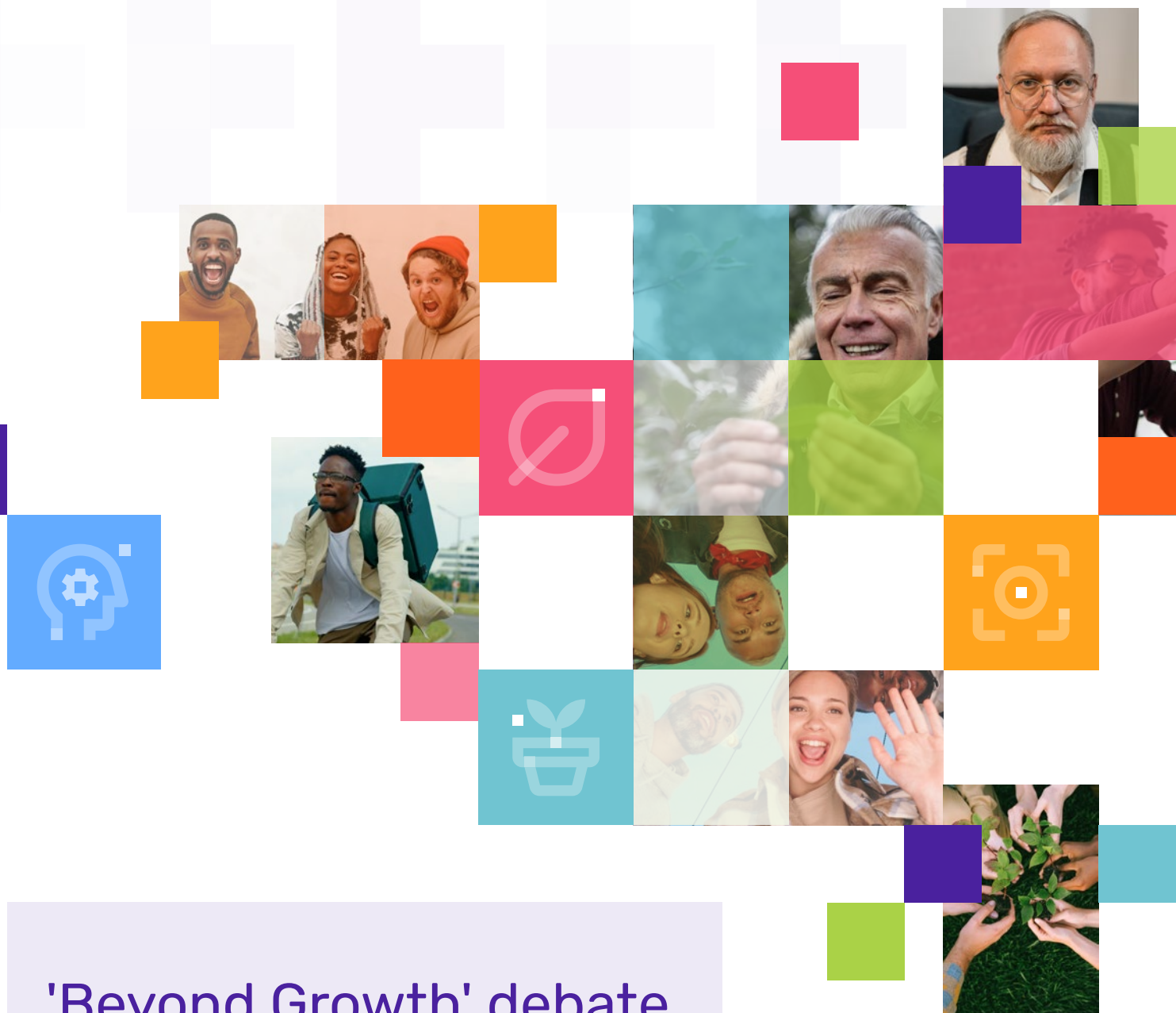




MultiFutures

SUSTAINABLE, RESILIENT AND FAIR EUROPE



'Beyond Growth' debate

Four inspiring futures for welfare and sustainability in Europe



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Introduction

The report 'Mapping and analysis of alternative growth paradigms'¹, part of the Horizon Europe project Multifutures, provides an analysis of the international 'Beyond Growth' debate.

It concludes that the multitude of proposals in this debate can be represented by four main storylines, which are described in the report under the titles '**Green Growth**', '**Mission Economy**', '**Post Growth**' and '**Great Mindshift**'.

The four storylines differ from each other not only in their position towards economic growth, but fundamentally also in their positions towards direct or indirect governmental steering, and in their views towards the need for change of current behaviours, norms and values.



Fig.1 Main storylines for sustainable welfare following from the Beyond Growth debate

The storylines also differ in various other features, such as view towards technological innovation and redistribution of wealth.

Furthermore, they can be distinguished by some characterising policies that play an important role in each separate storyline.

	GREEN GROWTH	MISSION ECONOMY	POST GROWTH	GREAT MINDSHIFT
Guiding principles (goals)	Internalisation of externalities in market prices with the aim to achieve decoupling for climate goals or all planetary boundaries	Direct technology choices and governmental action to achieve climate goals or planetary boundaries	Strong norms, values and behavioural policies to achieve planetary boundaries combined with national and international (North/South) redistribution policies	Strong norms, values and behavioural shifts to achieve planetary boundaries, with a focus on stimulating own initiative. Focus on bottom-up technological Innovation, decentralisation, self-sufficiency, local governance and economies
Key scaling actor	Market parties determine the direction of innovation after Government has set market borders to internalise externalities	Government chooses technologies to achieve planetary boundaries and develops detailed implementation plans (direct regulation)	Government sets direct regulation for norms, values and behavioural shift, determines macroeconomic reform policies (reduced working hours, North-South redistribution)	Enlightened entrepreneurs and citizens determine bottom-up innovation directions, decentralised policy making within countries
Position towards GDP	GDP growth is required to finance environmental measures	GDP growth is required to finance technological innovation for societal missions	GDP growth or degrowth is the result of achieving planetary boundaries and social goals	GDP growth or degrowth is the result of achieving planetary boundaries and self-sufficiency goals
Norms, values and behavioural change	Current norms and values are not influenced by policy making. Limited/ no behavioural change policies	Current norms and values are hardly influenced by policy making. Limited behavioural change policies	Changing current norms, values and behaviours towards more ecocentric views with strong governmental policies is considered a prerequisite for achieving planetary and social targets	Changing current norms, values and behaviours towards more ecocentric views and a focus on self-sufficiency is considered a prerequisite for achieving planetary and social targets

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	GREEN GROWTH	MISSION ECONOMY	POST GROWTH	GREAT MINDSHIFT
Technological innovation	Technological innovation is strongly stimulated with general, technology-neutral financial instruments	Technological innovation is strongly stimulated by direct governmental technology choices and instruments	Technological innovation is stimulated with a clear preference for local, small scale technologies and public/citizen ownership	Technological innovation is stimulated with a clear preference for local, small scale technologies and public/citizen ownership
Redistribution of wealth	No North/South wealth redistribution. Within countries there is limited wealth redistribution	No North/South wealth redistribution. Within countries there is limited wealth redistribution	Strong North/South redistribution policies and redistribution policies within countries	Local governments redistribute wealth within their own areas
Characterising Policies	<ul style="list-style-type: none"> • Market creation for planetary boundaries, ETS like market systems • Open markets, globalisation • General technological innovation policies • Net zero carbon 	<ul style="list-style-type: none"> • National governmental missions, direct regulation to achieve missions 	<ul style="list-style-type: none"> • Strong norms, values and behavioural change policies • Progressive consumption tax • International and national redistribution policies • Working time reduction policies, basic income, inclusion of informal sectors (care) in economy • Zero fossil use, reducing extraction policies, resource caps • Citizen participation 	<ul style="list-style-type: none"> • Strong norms, values and behavioural change policies based on voluntary nudging rather than enforcement • Niche innovation policies • Strong decentralisation and local self-sufficiency policies, transition towns • Zero fossil, reducing extraction policies, resource caps • Citizen participation • Cultural and indigenous rights, rights for nature

Table 1. Key features of the Multifutures storylines

Green Growth storyline

In the Green Growth storyline, the government sees the market as the main vehicle for transition towards a sustainable world. Internalising environmental externalities in market prices is the key mechanism for setting the borders to market actions in such a way that it provides the right incentives for realising environmental goals. Most probable sustainability goals to be set in the Green Growth storyline are the current climate change goals leading to a maximum of 1.5 degrees climate change. However, also more ambitious sustainability goals aiming to meet the Rockstrom planetary targets (Steffen, 2015)² could be imagined in this storyline. The goals are formulated in a market based way, e.g., 'decarbonising' rather than 'de-fossilising'. Market based instruments are also seen as the key way to realise these targets, in particular trading systems like the current EU Emissions Trading Scheme for greenhouse gas emissions. These would be developed also for the other (non-climate) planetary

boundaries suggested by Rockstrom (ibid.) if a planetary boundaries goal was to be formulated. Another key policy instrument in this storyline is generic support for technological innovation, stimulating such innovation in general without making choices between technologies. In this storyline, GDP growth is seen as necessary to finance the realisation of sustainability and other societal targets and is a key indicator for the success of governmental policies.

The Green Growth storyline imagines a future society as largely based on current behaviours, norms and values. Individual behavioural freedom is a key aspect in such a society, in which the government should try to influence or limit as little as possible. Redistribution of wealth within countries might be pursued but it is overall seen as less important and sometimes even as detrimental to efficient innovation. Redistribution of wealth on a global scale is hardly or not at all addressed.

Mission Economy storyline

In the Mission Economy storyline, the government formulates societal ‘moonshot’ missions in which ambitious goals are set for societal issues that the government considers in need to be urgently solved. One such goal could be ‘solving climate change’, but a formulation in terms of ‘staying within planetary boundaries’ would also be possible. Once the goal of such a mission is formulated, the government would also develop very detailed plans to realise the goal. This also includes governmental choices regarding the kind of technological innovation to be pursued, e.g., industrial policy involving a-priori selection of the specific technologies to be stimulated.

‘Decarbonising’ rather than ‘de-fossilising’ seems likely in a Mission Economy, like in Green Growth. The government uses a mix of direct regulation and market based instruments to achieve its goals, and closely monitors and enforces progress toward these goals. GDP growth is seen as a prerequisite to achieve the missions’ goals. A future society is seen as largely based on current behaviours, norms and values, without many limitations to individual freedoms. Substantial redistribution of wealth within or between countries do not seem likely as goals in a Mission Economy.

Post Growth storyline

In the Post Growth storyline, there is a strong focus on the direct steering role of the government regarding environmental and social goals for reaching societal welfare. A 'wellbeing' dashboard of indicators and accompanying budgets are developed for this purpose. Environmental goals are likely to be based on intensified efforts towards staying within all planetary boundaries rather than to reach climate change targets only. What is considered to be a 'just' redistribution of wealth within and between countries is an essential part of the social goals in the Post Growth storyline. Economic growth, or not, is seen as a subordinate outcome of striving for these environmental and social goals. Hence, structural changes in society that might lead to strong economic decline in some sectors are seen as justified. This might include de-fossilising, leading to a quick phase out of fossil industry, and phasing out of other industries that are considered to be too polluting. Nudging and facilitating change of current norms, values

and behaviours by the government is seen as an essential precondition for successful sustainability policies. A progressive 'consumption tax', taxing the consumption of goods and services based on their environmental performance, is an important instrument here, which might be accompanied by a reduction of taxes on labour as compensation. Other important structural changes in society are a basic income for all, a drastically shortened working week, and the inclusion of voluntary care work in the economic system. Technological innovation is seen as important, but should be pursued on an open-access basis. The democratic system would be reformed to include more public participation in decision making, e.g. by local and national citizen councils that would co-decide together with policy makers on key policy issues. Probably also the financial system would be reformed to reduce profits in the monetary - not directly material asset based - economy.



Great Mindshift storyline

In the Great Mindshift storyline, national governments reform themselves to give more executive power to decentral authorities, e.g., municipalities. The focus of the economy shifts to local self-sufficiency and autonomy, with the development of 'Transition Towns' as a guiding principle. Ambitious environmental and social targets are pursued by local authorities, with GDP figures as a subordinate outcome of policies towards these targets. Planetary boundaries are likely to be set, with zero fossil, reduced extraction and resource caps as likely policies.

Norms and values change are strongly stimulated, however with a focus on nudging rather than on enforcement. Local niche entrepreneurs and enlightened citizens as bottom-up frontrunners lead the way towards these norms and values change. Bottom-up participation of citizens in policy making is a key aspect of the Great Mindshift storyline. Indigenous knowledge and rights, as well as rights for nature are strongly valued. Furthermore, redistribution of wealth on a local level, as well as global redistribution between poorer and richer communities are important.



The four storylines will be further worked out in the Multifutures project so that their impacts on society can be analysed by a suite of prominent macro-economic, integrated assessment and behavioural models. This will result in recommendations for European EU Member State policy makers aiming to steer on a broad set of indicators for sustainable welfare in Europe and worldwide.

The full report is available on [Research & Publications | MultiFutures](#).

References

1. Slingerland, S. et al. (2024). Mapping and analysis of alternative growth paradigms. Deliverable No. D1.1 of the MultiFutures project funded under the European Union's Horizon Europe research and innovation programme Grant Agreement number 101121353. Published on the Multifutures website, <https://multifutures.eu/research-publications>. Draft report, final approval from CINEA pending. Views and opinions expressed are those of the author(s) only and do not necessarily reflect those of the European Union. Neither the European Union nor the granting authority can be held responsible for them.
2. Will Steffen et al. (2015) Planetary boundaries: Guiding human development on a changing planet. Science 347, 1259855 (2015). DOI:10.1126/science.1259855

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