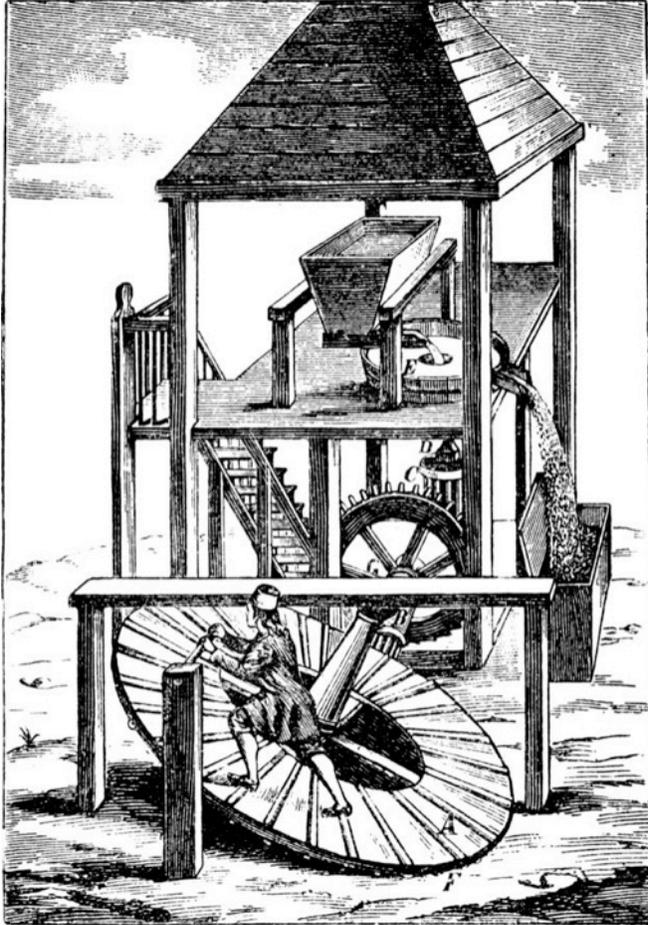


A Deeper Treadmill: a Theory of Capitalist Growth in the Great Acceleration

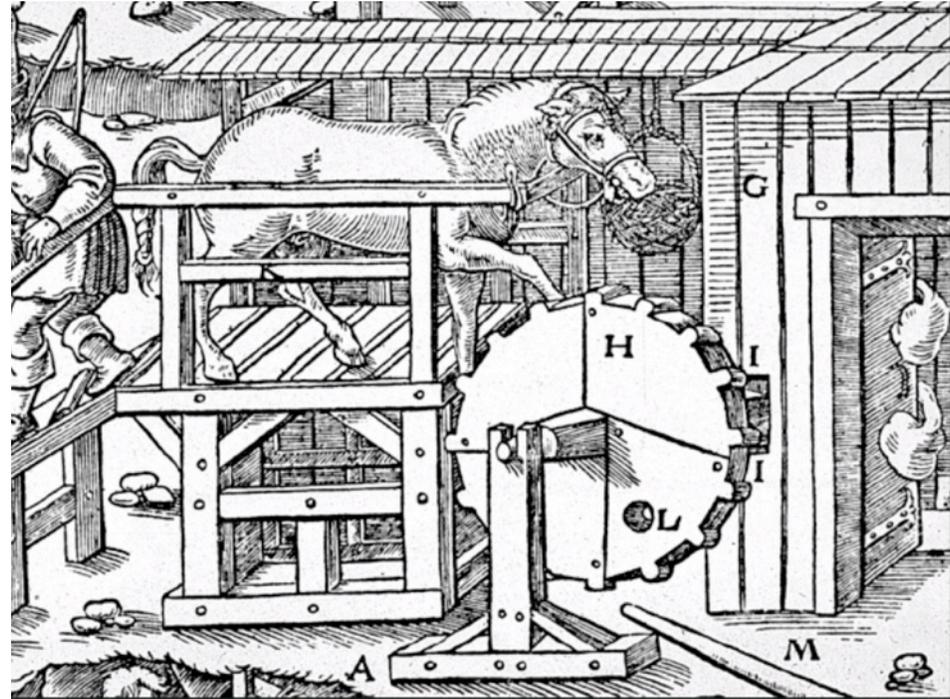
Presentation by Eric Pineault, Kolleg
Postwachstumsgesellschaften Jena and Institute of environmental
sciences, UQAM

2019

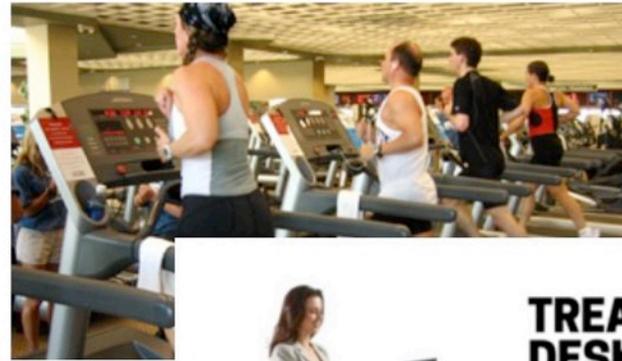
From one Treadmill... to another



And from surplus production constrained economies...



To Surplus *absorption* constrained economies



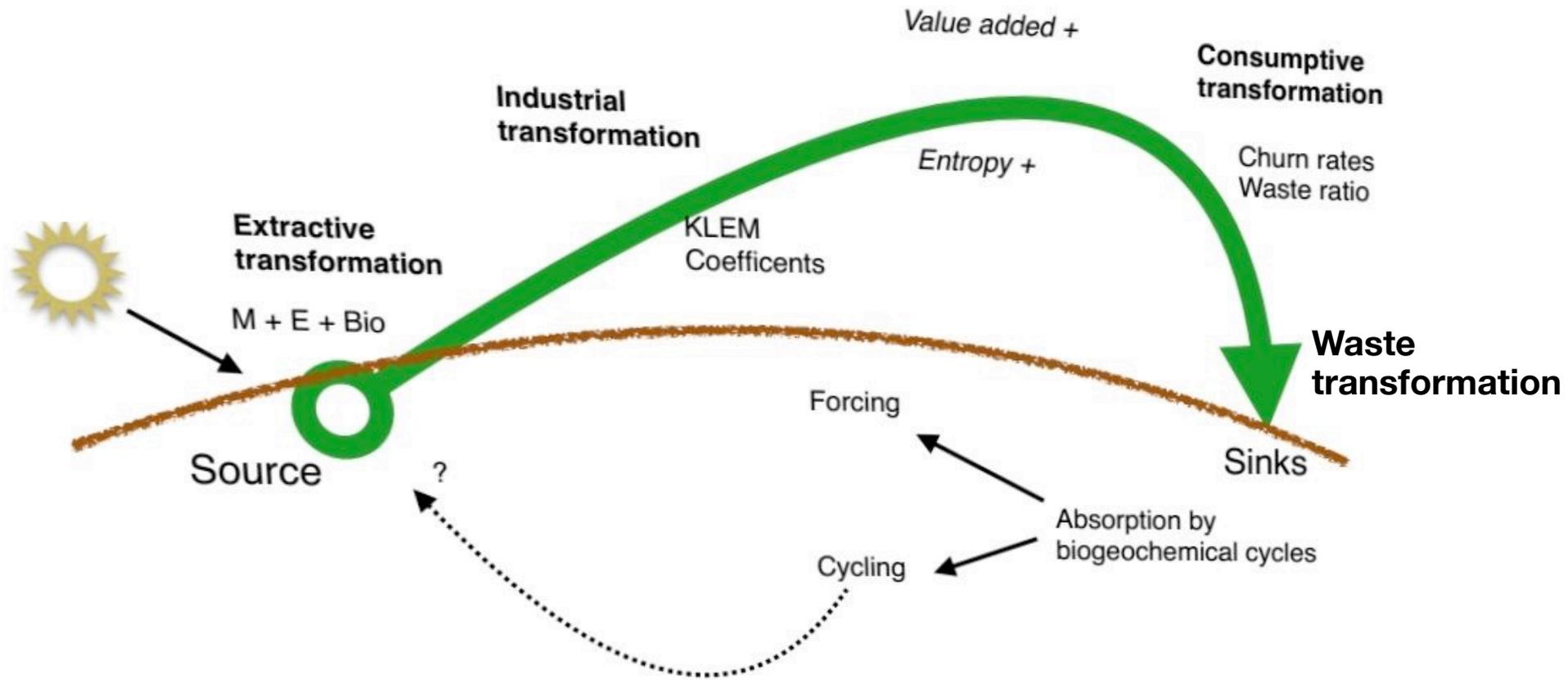
**TREADMILL
DESK
REVIEW**

**HOW I LOST
15 POUNDS
IN 7 WEEKS**



The throughput and the biophysical structures of the economic process

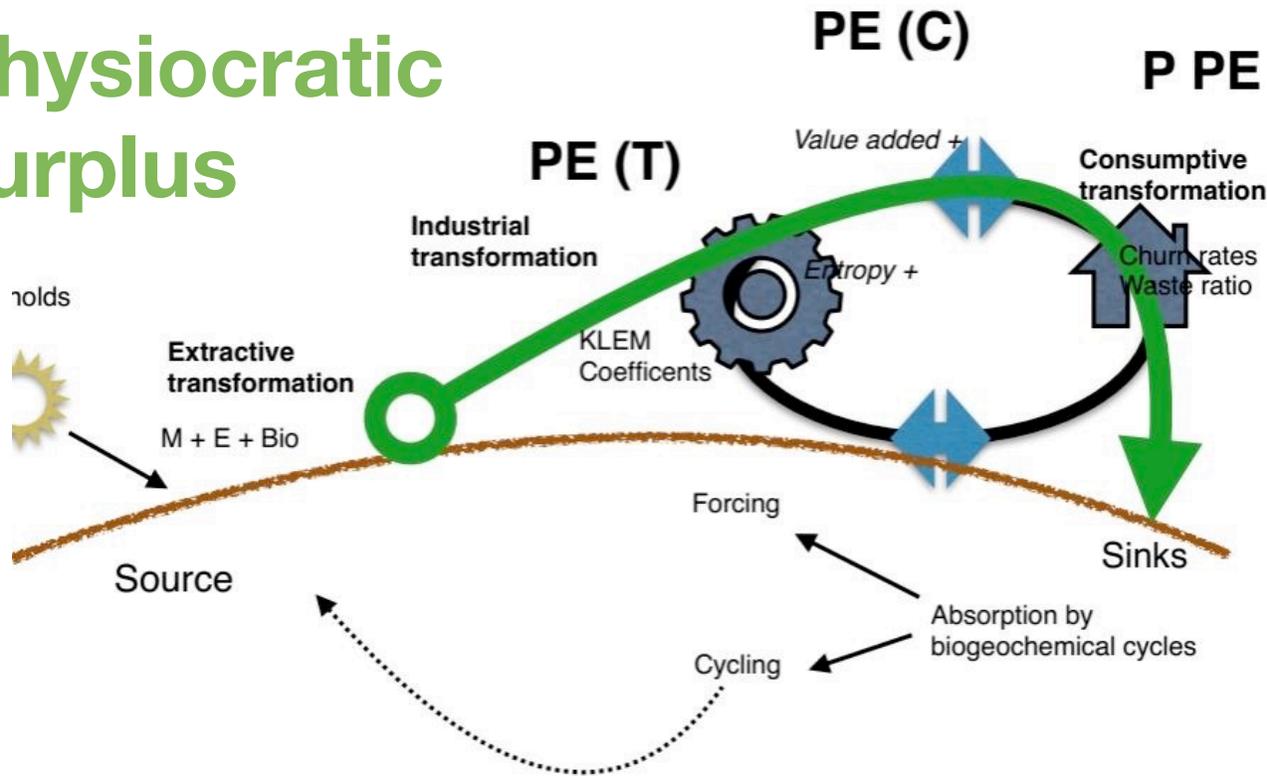
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The two surpluses of a capitalist economy

Physiocratic surplus

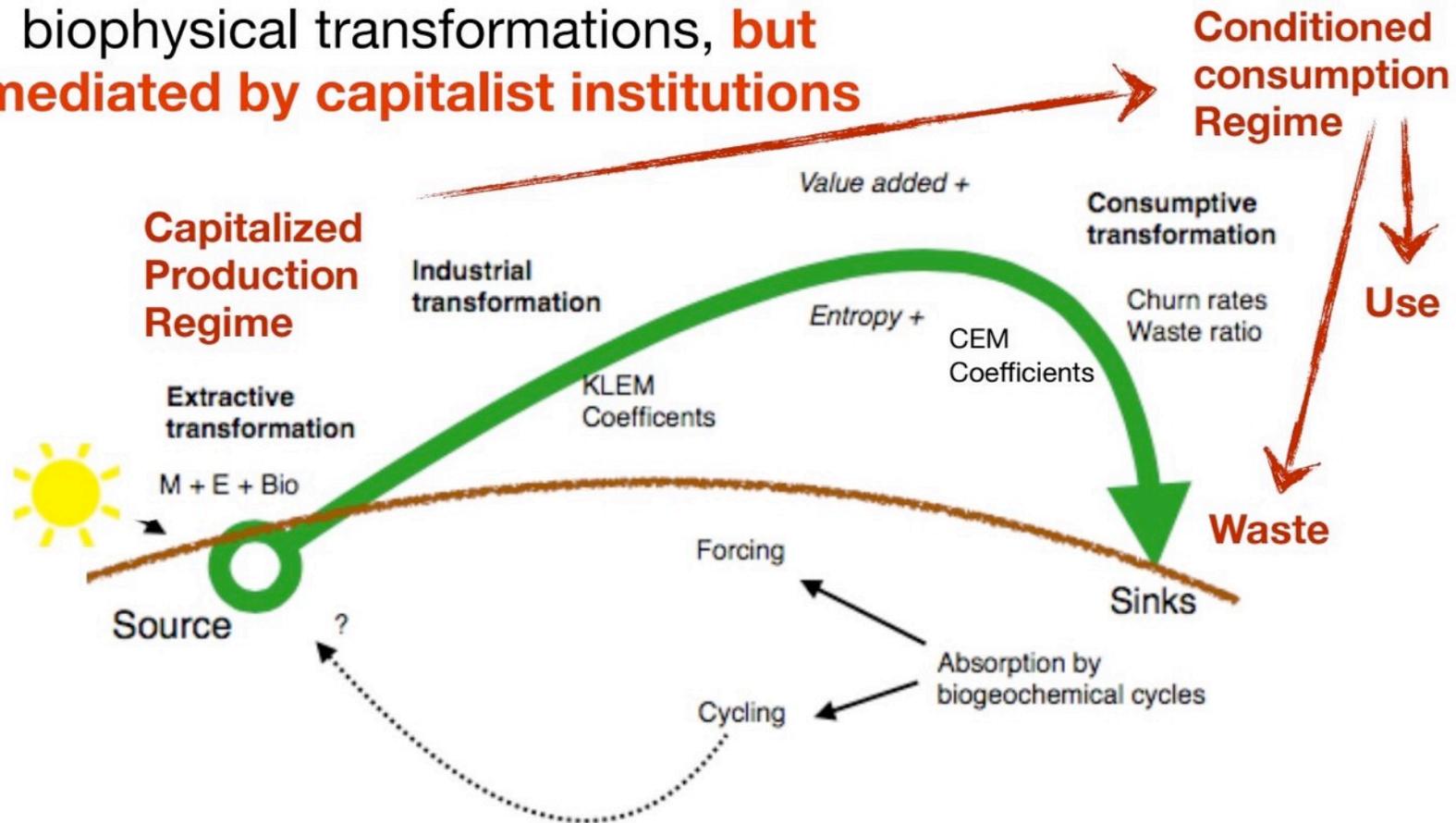


Marxian - Keynesian surplus

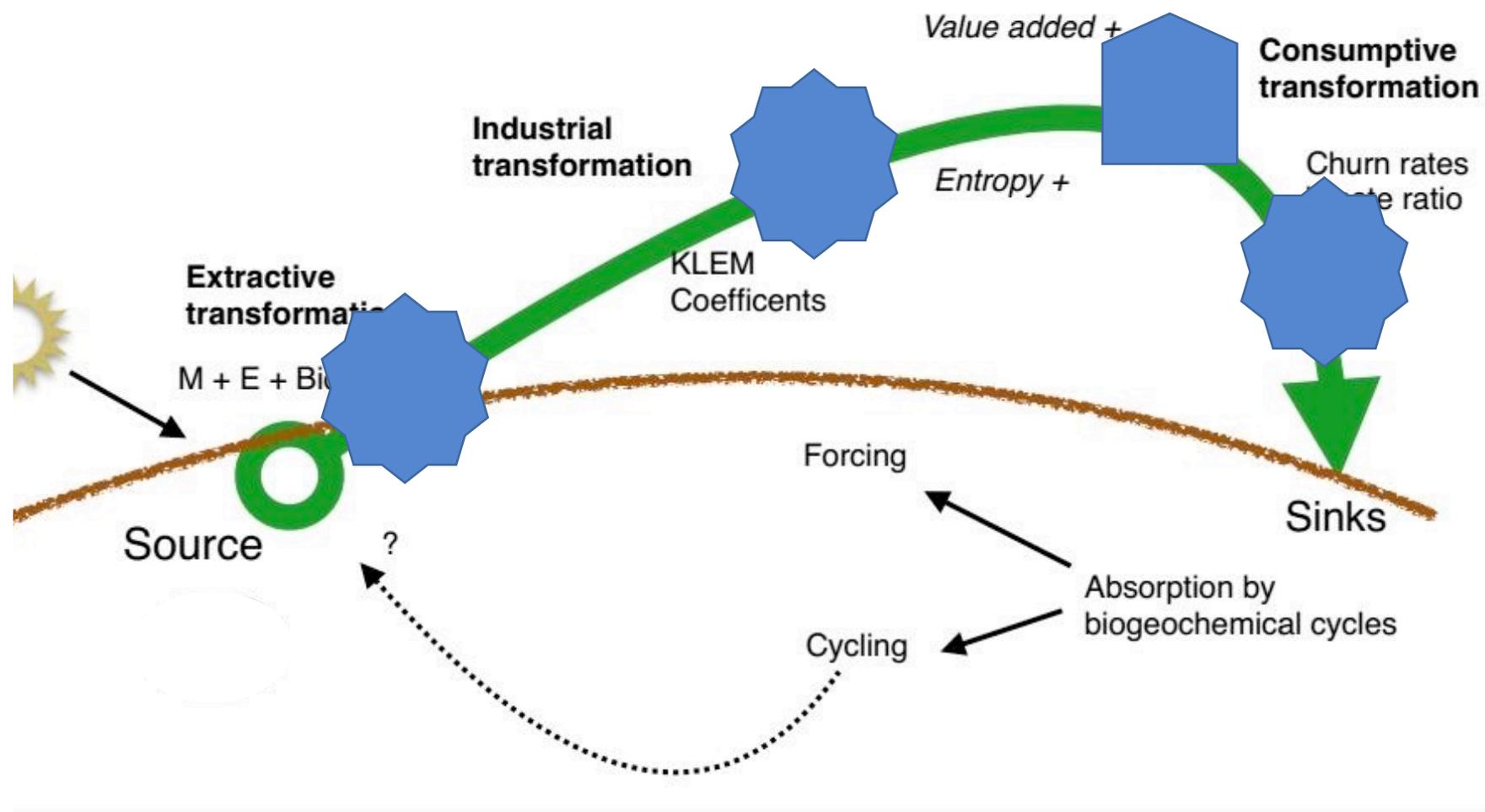
Capitalist Growth impetus

A Social Ecology of Capital

The economic process is a series of biophysical transformations, **but mediated by capitalist institutions**

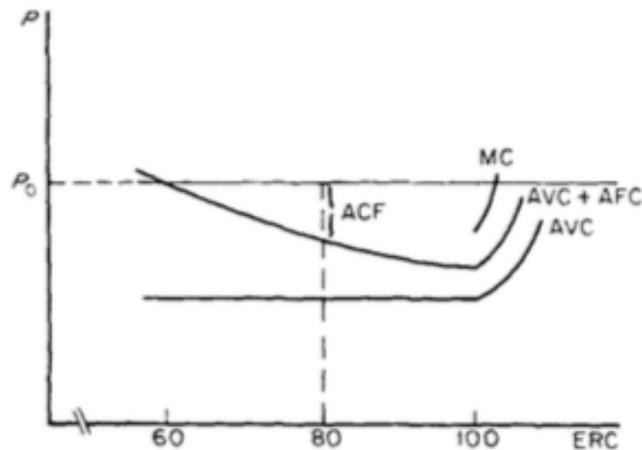


Stock / Flow / Capital Nexus



Origin of the growth imperative in advanced capitalism

- Profits and growth in a Postkeynesian perspective:
 - Growth imperative of corporations,
 - Maximizing growth = maximizing organizational control over production and consumption relations and norms, as well as over markets, competitors and regulators
 - Profit = means to growth in the form of retained earnings freed for investment



Eichner 1983

Forms of corporate growth

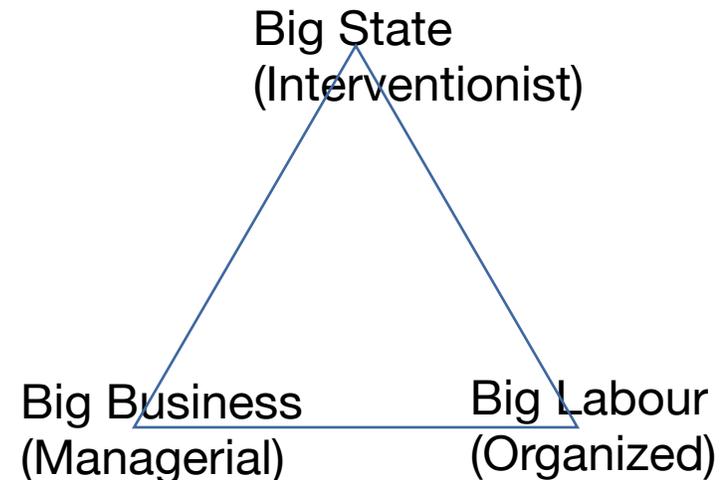
Extensive= growth of sales, output, productive capacity, market share

Intensive= organizational capacity (measured in value of intangible as assets); innovation, new products brought to market, higher productivity

- Eichner's Megacorp model of corporate accumulation
 - Search for «corporate levy» as
 - retained earnings + depreciation + R-D and marketing (financialized firm = extra rent: share buybacks)
 - Cost structure and pricing scheme
 - Direct variable costs: engineered rate capacity= Potential KLEM, Standard operating capacity= realized KLEM
 - Fixed costs in corporate structure = overhead + financial commitments
 - Anticipated corporate levy and ex-post profits

Treadmill of production theory, Schnaiberg

- Dominant approach in environmental sociology until 1990's
- Dominant economic force: Treadmill located in large capitalist industry
 - Monopolistic sector
- Mechanism:
 - Centralization of profits –
 - Investment biased towards K intensity
 - Productivity up, employment per unit of output down
 - Creates demand and social stability problems
 - Expansion absorbs surplus labour and capital
 - But also centralizes profits
 - And stabilizes society. Leads to
- Growth Coalitions and the « unpolitics of expansion »



Social structures of capitalist accumulation

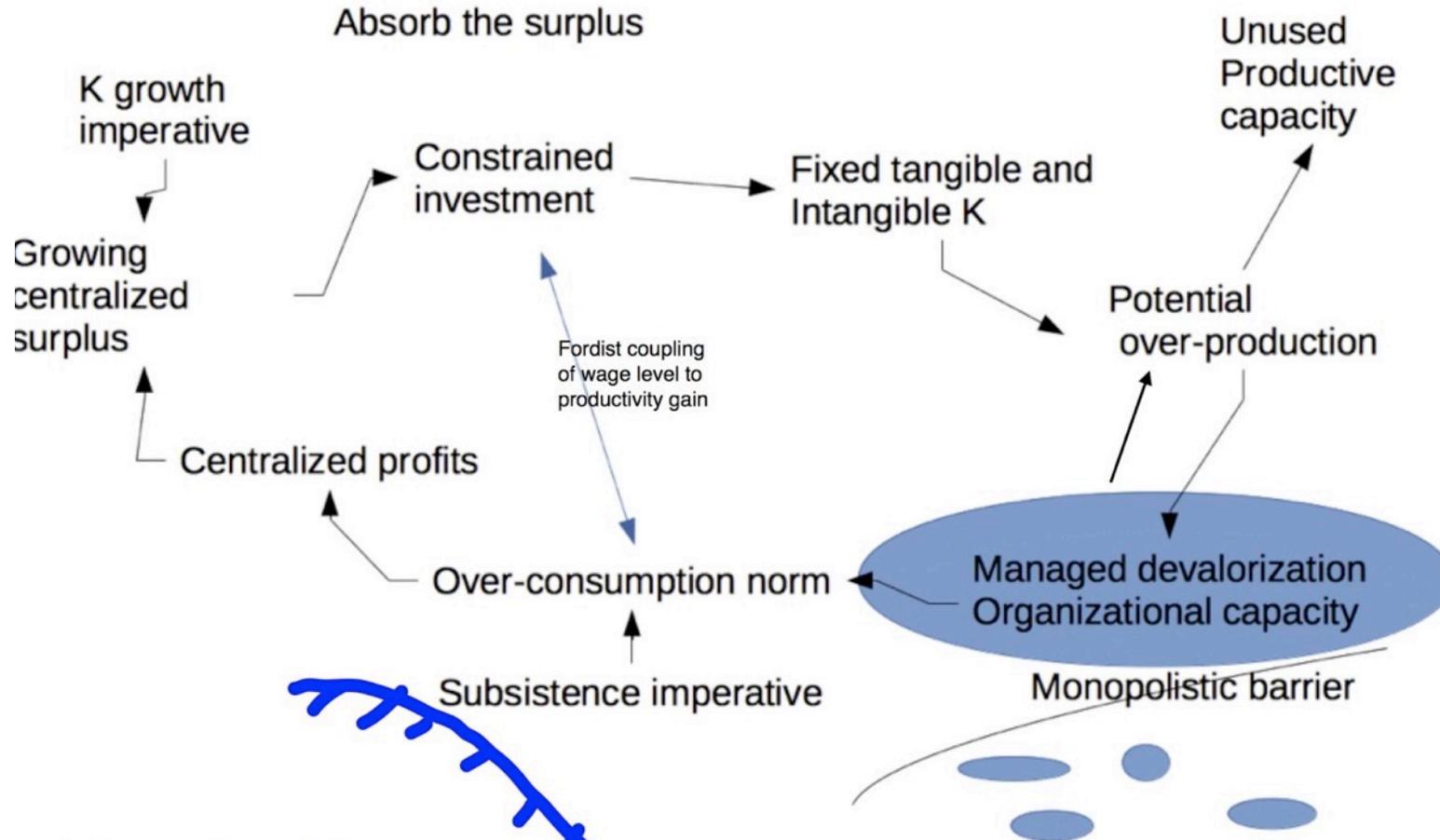
- Capitalist corporation
 - Face growth imperative and must manage devalorisation of fixed K
 - Maximizing growth = maximizing organizational control of production and consumption relations as well as over markets and the state
 - Gross profits (corporate levy)= means to growth

Managed devalorisation =
control over innovation+ condition
demand+schedule depreciation
+manage competitive field
- Mass wage-earner
 - Value/unvalue rift of «reproductivity»
Separation of production and consumption
 - Labour force abstracted from reproductive sphere
 - but L dependence on reproduction
 - And reproduction dependent on abstracted consumption norm
 - Unity of production and consumption governed by corporate sector
 - Through production of consumption norm
 - Secular tendency of colonization of reproductive sphere by productive sphere (growth)
 - More L
 - More commodity dependent reproductive activity
 - Embedded klem in C

Treadmill: growth as surplus absorption

- Aim: explain growth dynamics of 20th century advanced capitalist societies
- Growth = of monetary production economy (GDP) and of biophysical scale of the economy (stocks and EM throughput, MEFA)
 - Complex iterative interaction
 - Monetary production economy spins the throughputs and accumulates and reproduces (or not) stocks
 - Stocks and throughput physical potential and constraints of MPE
- Growth dynamics based on interaction between large monopolistic corporations and wage-earning labour market dependent working class and state
- Relative marginalization of smaller firms and independent producers in terms of impact on growth and accumulation
- Sociological extension of fundamental difference between “price takers” and “price makers”
 - Monopolistic practices = accumulation of organizational power over the economy and society
- General properties
- Basic distinction between surplus production constrained economies and surplus absorption constrained economies
- Why didn't labour time fall with productivity ?
- In advanced capitalist societies, wage-earners are surplus producers and surplus absorbers
- Surplus concept
- ambiguity/confusion (value theory) between
 - Keynesian surplus: K and L (social form)
 - Physiocratic surplus: E and M (biophysical form)
 - Not really a surplus
- All production in a monetary production economy implies KLEM coefficients that is relatively rigid in the short term (Daly)
 - The surplus is keynesian but its absorption always spins the throughput of E and M

Kaleckian growth model



**Basic Deep
Treadmill model**

Financialized Kaleckian Growth Model

