Forms of Globalisation: from ‘capitalism unleashed’ to a global green new deal

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2007-08 financial crisis and 2009 recession

- Depression avoided by Keynesian fiscal response
  - governments boosted spending
- Plus huge financial support to the banking sector
  - including in most countries nationalisations
- And pledges for action on:
  i. banking reform
  ii. rebalancing the economy
  iii. promoting corporate diversity, and
  iv. ensuring regional balance
Return to orthodoxy, and a lost decade

- Keynesianism gave way to a return to orthodoxy
  - with ‘austerity’ public spending cuts
- Blocked recovery that usually follows recessions
- Failure to reform leaves global economy prone to further crises
UK: Promoting greater corporate diversity?

- UK 2010-15 Coalition Government pledged greater corporate diversity in financial services
  - including by promoting mutuals
    - member-owned financial institutions
- But they failed to *measure* corporate diversity
  - which was done instead by Michie & Oughton:
- rather than improving, it deteriorated:

https://www.cefims.ac.uk/cgi-bin/research.cgi?id=109
Diversity index for financial services: ownership, competitiveness, resilience & geographic spread
The rich get richer

GDP per person* of poorest and richest regions†
National average = 100

<table>
<thead>
<tr>
<th>Country</th>
<th>2000</th>
<th>2015</th>
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<tbody>
<tr>
<td>Britain</td>
<td>848</td>
<td>1,150</td>
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<tr>
<td>Germany</td>
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<tr>
<td>United States</td>
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<td>France</td>
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<td>Spain</td>
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<tr>
<td>Sweden</td>
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</tbody>
</table>

*At purchasing-power parity, 2010 prices
†OECD lower-level regions and US states

Sources: OECD; The Economist
“Yes, the planet got destroyed. But for a beautiful moment in time we created a lot of value for shareholders.”
The Oxford Handbook of Mutual, Co-operative, and Co-owned Business

EDITED BY
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A Global Green New Deal

1. Globalisation for a *purpose*
   • To promote environmental & social sustainability
   • Locally, regionally, nationally, and globally

2. Combined with *corporate* purpose
   • With appropriate corporate ownership models
   • And corresponding values, and policies
   • For long-term stewardship and sustainability
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