

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

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21st Conference for the Forum of Macroeconomics and Macroeconomic Policies

Berlin, November 2017

ELGAR ADVANCED INTRODUCTIONS

Advanced Introduction to

GLOBALISATION

Jonathan Michie

EE
Elgar



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

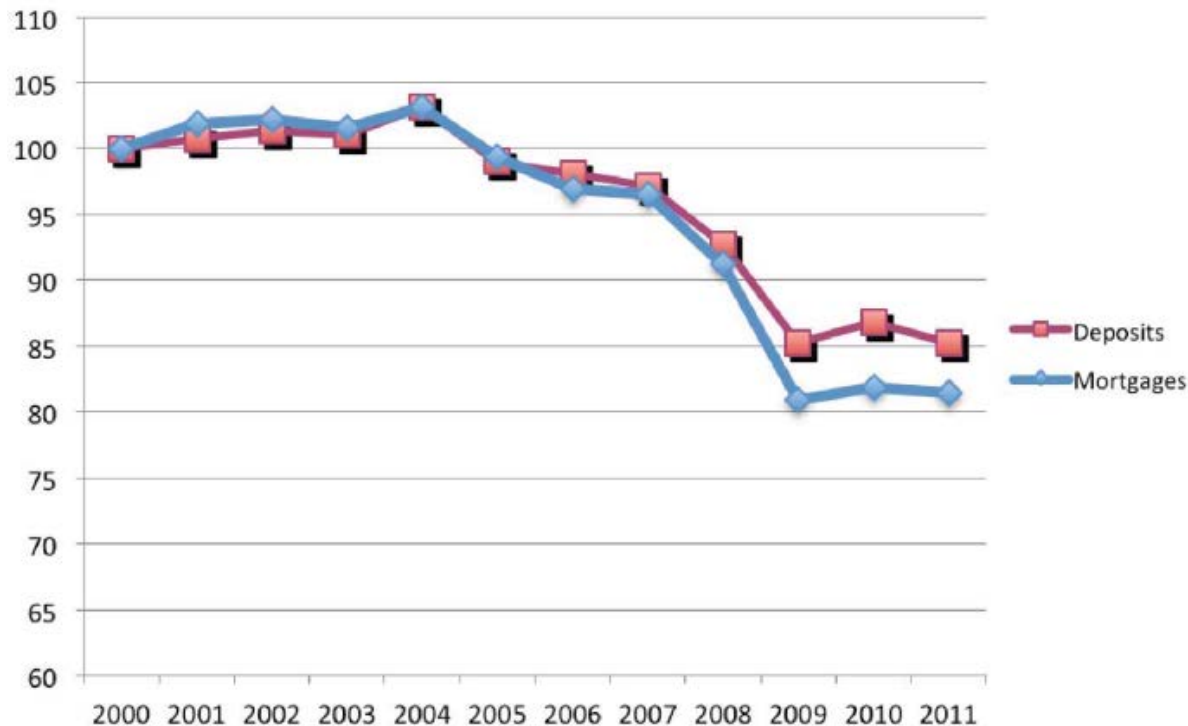
- Keynesianism gave way to a return to orthodoxy
 - with 'austerity' public spending cuts
- Blocked recovery that usually follows recessions
- Failure to reform leaves global economy prone to further crises

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:

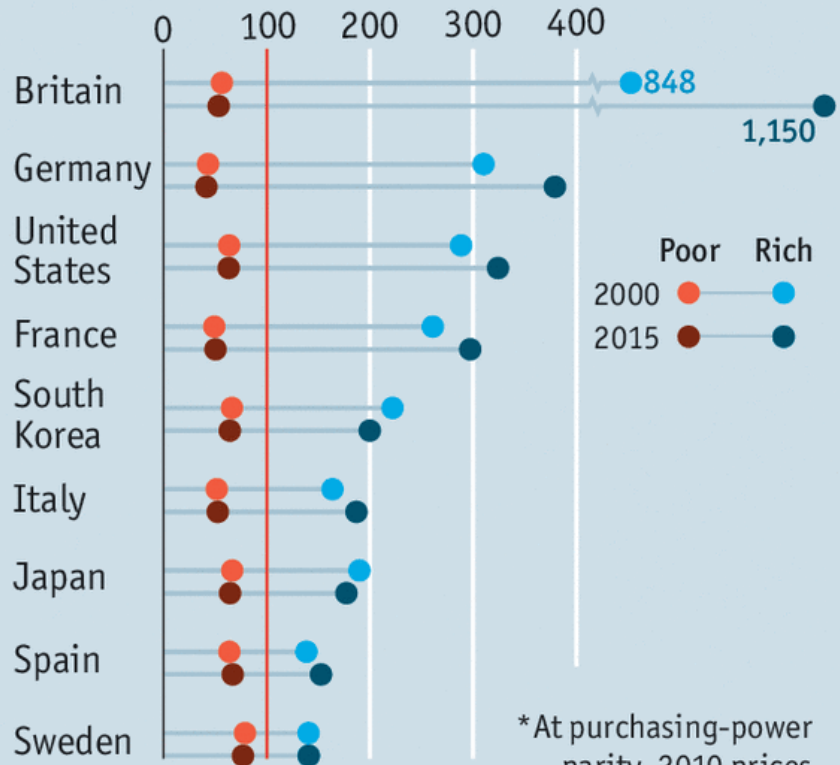
<https://www.cefims.ac.uk/cgi-bin/research.cgi?id=109>

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



Sources: OECD;
The Economist

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



Job

"Yes, the planet got destroyed. But for a beautiful moment in time we created a lot of value for shareholders."



EDITED BY

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≡ The Oxford Handbook of
MUTUAL, CO-OPERATIVE,
AND CO-OWNED
BUSINESS

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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