



## **Bridging perspectives, building solutions: Overcome differences for EU climate action!**

### **Pluralist Summer Academy 2024**

#### **Pluralist Simulation Game**

#### **“ReadyFor55: Economic policy on the way to climate neutrality”**

In the application form you are asked to apply for two roles of your choice (first and second preference). This sheet will provide you with some background information on the roles. Apart from the government which plays a special role, each role is dedicated to a specific school of thought. However, the idea of the simulation game is that during the course of the game you will get to know the main ideas and perspectives of every school of thought that is part of the simulation game: Neoclassical Economics, Postkeynesian Economics, Ecological Economics, Feminist Economics and Marxist Economics. Through discussions, negotiations and the formation of coalitions with other groups and your own preparations of arguments you will get insights into the pluralism of economic perspectives and their similarities and differences. You will learn how to approach one specific challenge like climate action from different points of view and how these views are compatible or in competition to each other. So, even if you consider the government or PluraBusiness as your favourite characters you will still get to know the other schools of thoughts.

## Government

As members of the *Government*, you are particularly concerned with stability and growth and want to reconcile these goals with environmental sustainability. There are overlapping and conflicting goals. Especially in the long term, mitigating climate change provides stability and protects the economy from the effects of extreme weather events. However, in the short term, transforming the economy creates trade-offs when certain industries shrink, eliminating jobs and inhibiting overall economic growth. This makes political implementation difficult, as the *Government* is judged particularly on its short-term successes, so your re-election is at risk. Wealth and job losses are political breeding grounds for populist parties and anti-science sentiment, which are already rising and gaining popular appeal in some regions. This can also be seen in past election results in Pluraland. As a *Government*, you want to avoid this political direction as well as a resulting social division and unrest against political measures at all costs.

The government plays a special role during the game: on the one hand, it is the interface between ideological paradigms (of the lobby groups) and real-political considerations (political feasibility and communicability of certain measures, electoral strategy considerations, etc.) and, on the other hand, it is a moderating authority: it leads and moderates both negotiations, formulates an initial draft in advance and brings together proposals from the various groups.



## PluraBusiness

You are members of the *PluraBusiness* lobby group, which uses **neoclassical** approaches. As representatives of companies in the country, you are very keen to ensure that the necessary structural change takes place in a market economy. The state should tend to hold back on market interventions and only set supportive framework conditions. Instead, the state should secure property rights, prevent monopolies and ensure that contracts are honored. Then the market will tend toward equilibrium of its own accord, and the innovative strength of companies can ensure prosperity and progress. Climate policy must always ensure that companies can remain internationally competitive.



## LabourAssembly

You are members of the lobby group *LabourAssembly*, which uses the approaches of **Postkeynesianism**. It advocates a "**Just Transition**" that leaves no one behind, thereby promoting social acceptance and public support for the measures. Social justice is at the heart of this.



For the green transformation, market mechanisms should be combined with an industrial and investment strategy so that employment can be maintained and new green jobs created. Workers should be supported through training and education, as well as good social protection. This requires strong public welfare and well-funded social security systems.

The overriding goal is to ensure that the green transformation is socially just. This will also ensure that the measures are widely accepted in society and publicly supported. The reach among workers in the largest and most affected sectors and regions is wide. However, the Corona crisis hit some important sectors hard, causing many people to go on short-time work or lose their jobs. In addition, the crisis has also increased inequality. These are not good conditions for finding broad support for the green transformation in society. Job losses and an increase in inequality must be prevented with all our might for the future. In times of social dumping, precarious work or abusive subcontracting, the green transformation offers a momentum for more social justice.

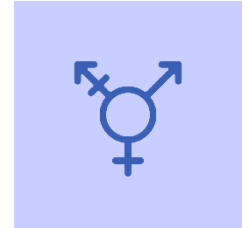
## EconomicJustice

You are members of the lobby group *EconomicJustice*, which uses the approaches of **Marxist** economics. The primary goal is to fight economic inequality, which has its roots in the capitalist mode of production. The economy, society and politics have historically developed in parallel and must therefore be considered together. In particular, class struggles between the owning and working classes characterise this historical development in the capitalist system. In capitalist production, the organisation and manner of economic activity is structured by the owners of capital. The workers cannot decide how to use their productive energy, which leads to alienation. In the capitalist system, crises, like the climate crisis, are a recurring phenomenon. Thus, according to Karl Marx's **second contradiction of capitalism**, capitalism destroys the foundations of its own existence, i.e. nature.



## GenderEquality

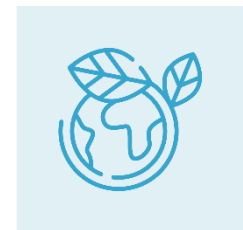
You are members of the feminist advocacy group *GenderEquality*, which uses the approaches of **Feminist Economics** to highlight gender inequalities in the economic system and counter the invisibility of care work. It advocates for a **Purple New Deal** and a **Purple Economy** in which care is at the center of economic policy.



In their view, the care crisis is one of the most important and essential crises of our time, alongside the ecological one. At the same time, the structural inequality of power between men and women prevents a development towards more gender justice. Additionally, the regression in equality during the Corona crisis is of great concern to the lobby group. At the same time, the pandemic forcefully demonstrated how elementary and systemically relevant care work is in the healthcare system and that it should be valued. On the other hand, however, the otherwise invisible unpaid care work also came to the fore: looking after children, caring for other people, for nature and, not least, for oneself took on a special significance during the crisis - and at the same time became massively more difficult. It is all the more important now that the green transformation keeps gender justice in mind and actively fights to overcome the care crisis. Care for other people, oneself and nature should be at the center of future economic activity.

## EcoAssociation

You are members of the lobby group *EcoAssociation*, which uses the approaches of **Ecological Economics**. You demand that absolute planetary boundaries are observed while at the same time meeting the basic needs of all people. The climate crisis must be addressed as part of a larger ecological crisis. The preservation of the natural basis of life should be the focus of economic activity in the future.



The understanding of an economy embedded in society on the one hand and in the planetary ecosystem on the other shows that there are concrete physical limits to our economy that cannot be overcome even by new technologies. There cannot be infinite growth in resource consumption on a finite planet. Economic activity must not take place at the expense of countries in the so-called Global South and subsequent generations. It is ethically unacceptable to use up resources that will no longer be available to future generations.

At the same time, wealth is nowadays usually equated with material consumption. Restrictions on consumption then represent a loss of prosperity. In fact, the economic, health and social impacts of climate change and the ecological crisis will lead to a greater loss of prosperity overall than the measures that are necessary to combat climate change. Consumption corridors

within which all needs are satisfied, but the planetary boundaries are not exceeded, are desirable.