

A 'Temple of Growth' in Crisis?

The Production of Economic and Environmental Policy Norms Within the OECD in the early 1970s

Matthias Schmelzer
European University Viadrina, Frankfurt (Oder)

ESSHC 2012

Overview

1. Paper as part of an ongoing dissertation-project
2. Situating the crisis of the growth paradigm
3. The origins of the OECD debate on the “Problems of Modern Society”
4. The emergence of international environmental norms within the OECD
5. The main arguments of the paper in a nutshell

The hegemony of growth

The making and remaking of the economic growth paradigm and the OECD

1950s to 1980s

1. Paradigm in the making: The emergence of economic growth as the key economic norm within the OEEC

1. Measuring growth: The OEEC and the international standardization of national income accounting (1948-1952)
2. Producing growth: From reconstruction to productivity to economic growth (1948-1953)
3. Steering growth: International economic mandarins and the transnational harmonization of growth policies (1953-1959)
4. Crisis and reorganisation: How the OECD became the 'temple of growth for industrialized countries' (1960-1961)

2. Paradigm at work: The growth paradigm in the 1960s

1. Committing to growth: The 50 percent growth target in perspective (1961)
2. Promoting growth: The Economic Policy Committee and the search for a universal recipe for growth (1961-1965)
3. Imperatives of growth: Education, science and monetary policy in the name of growth (1961-1965)
4. Replicating growth: The OECD, uneven development and the South (1950s to early 1960s)

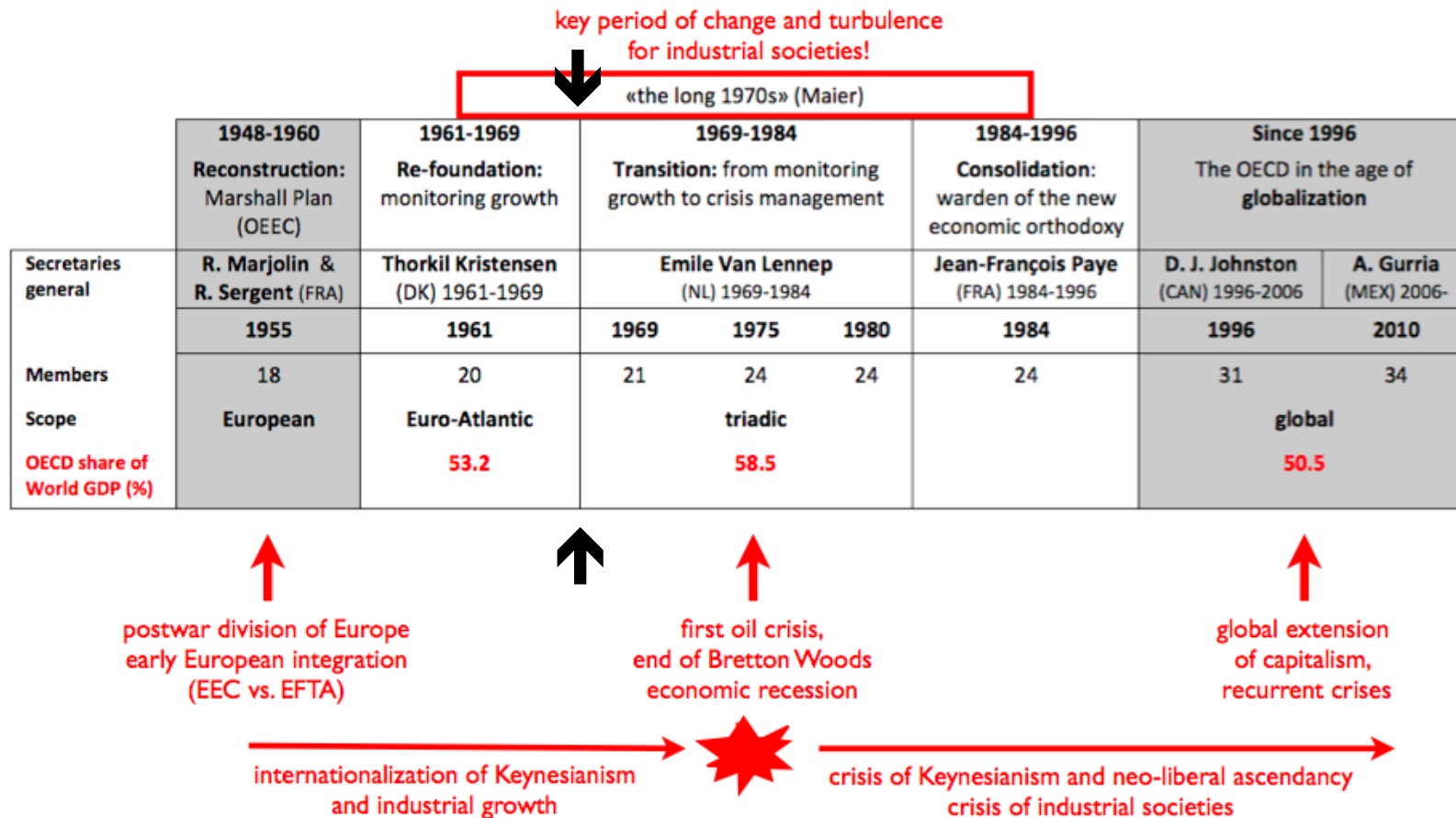
3. Paradigm in discussion: The 'problems of modern society', environment and welfare

1. Emergence of limits: The origins of the Club of Rome within the OECD (1969-1972)
2. Quantity in question: The 'problems of modern society' and the intellectual crisis of the growth paradigm (1969-1972)
3. Managing the costs: Environment, (un)economic growth and liberal environmentalism (1971-1974)
4. Measuring welfare: The search for new international yard sticks in the Social Indicators Programme (1971-late 1970s)

4. Paradigm remade: The reconfiguration of the growth paradigm in the 1970s

1. Jeopardized growth: Coming to terms with oil crisis and stagflation
2. Neoliberalism on the rise: The McCracken report and 'positive adjustment'
3. New harmony found: The Interfutures study and the magic formula of 'sustainable growth'

The “Problems of Modern Society” in context



The Growth Paradigm and its Intellectual Crisis

Periodizing the economic growth paradigm within the OEEC/ OECD debates

	Paradigm in the making 1950s	Paradigm at work 1960s	Paradigm in discussion 1969-1973/4
Growth target	1951 MCM: 25 % in 5 years	1961 MCM: 50% in 10 years	1970 MCM: 65% in 10 years
Catch-phrases	Reconstruction, selective expansion, viability, productivity	Quantitative growth	Qualitative growth, problems of modern society, inclusion of externalities
Initiators	OEEC-member states, MSA	Kennedy-Administration, CEA	OECD-Secretariat, Committee for Science and Technology Policy, Club of Rome-members
OECD-Organs	Council, Council WP-5 on selective expansion	Economic Policy Committee and EPC WP-2 on Promotion of Economic Growth	Bellagio-Conference, CSTP and Env Comm, Manpower and Social Affairs, Social Indicators WP

The Origins of the “Problems of Modern Society”

- Context: anomalies of the growth paradigm
- The events of ‘1968’
- New framework for OECD
- Network around King
- OECD as “transmission belt”



Alexander King



Thorkil Kristensen

International Environmental Norms and the OECD

- The “economic approach”
- The end of growth or the internalization of externalities?
- “Liberal environmentalism”: Establishing the harmony between environmental protection and both free market policies and economic growth
- 1973/4 crisis and the end of the questioning of growth within the OECD

Making green growth deliver



Main arguments in a nutshell

1. The emergence of OECD environmental norms have to be situated within the debate on the “problems of modern society”
2. An epistemic community around Alexander King was active both within the OECD and in launching the Club of Rome
3. International organizations have some autonomy; it is important to take internal divisions into account; the concept of the use of IOs as “transmission belts” should be further developed