



ECONOMICS

'De-Growth' is the latest excuse for central economic planning

Economic measurement tools and methods have for centuries been used as means to embed and reinforce centralist economic authoritarianism. The latest centralising ideologies all aim to consolidate resource control in vast national and supranational bureaucracies. GDP is currently being targeted.

WRITTEN BY RUSSELL LAMBERTI | 02 AUGUST 2023 | 4 MINS READ

Economic measurement tools and methods have for centuries been used as means to embed and reinforce centralist economic authoritarianism. In the case of recent EU and WHO 'Degrowth' and GDP proposals, the latest centralising ideologies are ESG, Net Zero, and Pandemic Preparedness, which all aim to consolidate resource control in vast national and supranational bureaucracies.

On the chopping block is GDP, which, we are told in the *WHO Council on the Economics of Health for All* final report, provides a "narrow, distorted view" of economic activity and societal well-being by measuring things it shouldn't, and not measuring things it should. WHO recommends "getting beyond maximizing GDP and, instead, using a range of dynamic metrics to track progress across core societal values."

There are indeed good reasons to criticise the GDP fixation. GDP is a mid-twentieth-century creation designed precisely for central planners to be able to track and optimise production. The stated aim of its inventors was to enable planners to manipulate the economy. Nobel laureate Paul Samuelson wrote in his famous textbook, *Economics*, that GDP "enables the President, Congress, and the Federal Reserve to judge whether ... the



well-being – like wasteful government spending – and fails to account directly for things that do – like valued services and activities not directly traded for money income.

Much harm has been done in the myopic and relentless pursuit of GDP growth, most notably in the Soviet Union and other communist countries where the centralised pursuit of maximal GDP caused tremendous shortages, wasteful gluts, totalising authoritarian control over the economy, and much human death and suffering.

But replacing GDP will mean little if new measurement systems only further entrench and enable the desire to “direct economic activity” by [Great Reset ideologues](#).



And this is precisely what is happening. At the recent “Beyond Growth” [conference](#) hosted by the European Parliament, speakers discussed new ways in which governments and large supranational bureaucracies can direct economic resources. This is the reincarnate ‘Club of Rome’ (the [opening plenary](#) was titled “Limits to Growth”, a homage to the Club), and it seeks to reassert the ideas of planetary finitude needing mediation by wise technocrats with sweeping powers: The Great (Malthusian) Reset.



This is what the 'degrowth' movement is about.

And this is a pity, because much of the underlying disenchantment degrowthers feel about modernity and modern economies are valid instincts. Scarce resources actually do need to be wisely stewarded and mediated within just social systems. Rapidly-congesting, concrete, dystopian urban metropolises are few people's ideal of a thriving, healthy way to live. GDP expansion for its own sake may indeed be undesirable if it corrodes social stability and continuity, undermines preservation of beauty, or ruins necessary ecological balance.

However, whatever measurements we use to ascertain our economic conditions, what is inescapable is that for societies to flourish and broaden access to material improvements in the quality of life, they must be able to produce wealth.



DE-GROWTH IS THE LATEST EXCUSE FOR CENTRAL ECONOMIC PLANNING

direction, intent on cutting off communities from abundant energy sources, and allocating resources via bloated bureaucracies at the say-so of detached technocrats? Or is it dynamic systems of decentralised knowledge production, choice, error correction, freedom, and distributed agency, within a sound and stable legal order?

The degrowth movement's attack on GDP growth is not a good-faith effort to replace a poor, blunt, and often misleading measure in the interests of an abundance of problem solving, but rather a way to harness popular economic discontent arising from failed centralising technocracy to entrench more failed centralising technocracy.

We would be unwise, however, to ignore the underlying sense of dissatisfaction with the modern condition that causes these sorts of ideas to bubble to the surface. Increasingly, centralised global economic management has led to disfigured financial systems, sclerotic bureaucratised economies, and social and political upheaval. Our task is not to ridicule perceptive instincts that express concern, but to discredit iatrogenic economic solutions equipped with new-generation tools of central planning, and instead sketch a more decentralised, human-scale – and humane – path toward the flourishing society.

[← Previous Article](#)

[Next Article →](#)

Publisher's note: The opinions and findings expressed in articles, reports and interviews on this website are not necessarily the opinions of PANDA, its directors or associates.

SHARE THIS ARTICLE

