

What kind of planning for the socio-ecological transformation?

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Abstract

The inability of markets to address the ecological crisis leads many to call for economic planning. A proposal gaining momentum is that of green indicative planning, to be done by strong states by implementing structural complementarities between macro-financial architectures, industrial policy and corporate planning capabilities (Ban and Hasselbach 2025). Such an approach falls short in providing a realistic and ambitious pathway for the socio-ecological transformation. In particular, by seeking inspiration in capitalist states and corporate planning, it sets itself to repeat the mistakes of neoliberal green growth while risking further delegitimizing state action. Instead, this presentation stresses that the planning we need has to clearly oppose corporate interests and must be strongly democratic.

Introduction

The ecological crisis promises to limit future growth opportunities (Meadows et al. 1974). This will foster inequalities within and between countries, and it's likely to exacerbate geopolitical tensions. Market forces have failed (and continue to fail) to tackle ecological issues. Green finance and other green-labelled enterprises harness ecological issues to generate profits, but bring very little improvement in climate mitigation, biodiversity enhancement and adaptation (Tordjman 2022). Despite efforts from the State to channel private action, the “anarchy” of production makes it impossible to coordinate towards specific goals. In this context, if we are to reach decarbonization, sufficiency and adaptation, an increasing number of people recognize the need to plan: to coordinate economic action before its implementation, in order to reach specific goals. In this context, planning becomes the once-damned new messiah. Several people reclaim the legacy of planning, but from different standpoints.

A proposal gaining momentum is that of green economic planning, which we could term as indicative and corporatist economic planning from a green developmental state in a capitalist context. A recent article summarizes this approach well. The idea is to bring about a new form of statecraft implementing “structural complementarities between macro-financial architectures (policies and institutions that design, implement, and fund monetary, fiscal, and financial policies, Gabor and Braun 2023), industrial policy (Allan et al. 2021), and existing private sector planning capabilities (Bensussan et al. 2023)”. They claim we should get inspired by corporations’ ability to plan, wartime and post-war state planning history, and sectoral planning currently done by current states like Denmark. We have to learn from their tools and know that if they can plan, we can plan: “To be effective and politically realistic, green economic planning must learn from both the public and private experience of economic planning under capitalism.” (Ban and Hasselbach 2025, p. 288)

I agree that to operate a real transformation towards strong sustainability, we need economic planning. But I disagree with such an approach. I will devote the rest of the presentation here to explain the issues I have with it, and to present why I believe that the planning we need has to be independent from corporate power, deliberative and democratic.

Channeling corporate planning abilities?

To start with, we cannot imagine channeling corporate planning abilities because their interest is opposite to the ecological transition.

Already in 2019, Tong and their colleagues highlighted that the use of existing fossil-fuel-burning energy infrastructure for their expected lifetime implied committed CO² emissions that, on their own, would bring us beyond the 1.5 °C target with a probability of more than 50%. If we are to try meeting these targets, the lifetime of these infrastructures has to be greatly reduced. However, halting their use represents a significant depreciation of assets for fossil companies, but also in adjacent industries like steel and cement production (Malm and Carton 2024). Semieniuk et al. (2022, p. 1) estimate the value of these stranded assets – “the present value of future lost profits in the upstream oil and gas sector” – to amount to 1.4 trillion USD.

Any ambitious sustainability transition is likely to face significant corporate opposition, as the interests of many major corporations lie in the status quo.

This would not be a deal breaker if the corporations we plan to work with (who we could call “green capital”) considered themselves distinct from this fossil capital, with different interests. But actually, green and fossil capital are entangled in multiple ways. Not only are the people involved in both sectors highly connected (Sapinski 2015, Graham 2025), they also share common interests in financial stability and general conditions for profitability, which are likely to be greatly affected by any ambitious climate action (Daumas 2024, Semieniuk et al. 2020, Malm and Carton 2024). For these reasons, a strong-arm planning approach by states is likely to face vivid opposition even from business associations involved in the green sector.

Even if green planning aims to depart from the framework of a de-risking State, such a proposal relies on the idea that there is still a middle ground where we can meet climate targets, while reducing profit opportunities, but by keeping them sufficiently high to appease corporate power and convince corporations to stay in the country and continue investing there. I would argue that this is not realistic and that any attempt to conduct a sustainability transformation needs to aim at curbing corporate power.

Learning from corporate planning?

If we cannot count on using this planning ability directly by convincing them to follow sustainability objectives, some people claim that policymakers should still try to understand how corporations plan to learn how to do it themselves (Phillips and Rozworski 2019, Bensussan et al. 2025). : « Although the institutional process of state planning cannot be reduced to corporate planning, exploring corporations’ new planning capabilities is indispensable to envision repurposing the “means of control” deployed in private business at the service of public policies. » (Bensussan et al. 2025, p. 2).

Corporations do plan a wide variety of activities, within and beyond ownership. They acquire the necessary knowledge inside and beyond their business structure, and they shape outcomes: the labor process on one hand, and the market on the other (to reduce uncertainty and ensure profitability) (Bensussan et al. 2025). Yes, it is important to know what tools already exist to plan. But aiming to get inspired by corporate planning suggests that the issue at hand is largely a technical one: that we only need to understand how firms plan, so that once we “reclaim ownership over the means of control”, we know how to use them.

But the thing is, corporate planning techniques are shaped by capitalist constructs. Not only are they aimed at maximizing profits and shareholder value, they work in and through monetary valuations. Corporations decide on courses of action by comparing opportunities for future profitability: cost-benefit analyses are the backbone of such an approach. When they consider issues surrounding sustainability, it is most often through the lens of increasing costs to raw materials, market opportunities for sustainable products, or climate risks. The decisions we have to take regarding the socio-ecological transformation are of an inherently different nature than those corporations face: they regard balancing different goals (ecological

sustainability, needs fulfillment, reduction and improvement work...), which are valued differently by different actors and all for different reasons.

Specifically, when we look at ecological issues: they are extremely complex and subject to great uncertainty, so market prices can help us very little to make decisions about sustainability (Akbulut and Adaman 2020). Ecological issues are also incommensurable: the values that different people attribute to the environment (instrumental, ethical, aesthetic, symbolic, religious, intrinsic...) have no single denominator and cannot be aggregated (O'Neill 1993). This means that if we acknowledge that virtually all economic decisions have ecological implications, these characteristics of ecological issues have to be reflected in any kind of economic planning.

This has three implications:

- We need to account for multiple criteria beyond monetary valuation (like CO₂ emissions and material use, but also labor hours, community resilience, precautions taken...)
- The articulation of these multiple values cannot be done in a straightforward way when making decisions (like aggregating costs and benefits in an “objective” manner). We need to compare alternative scenarios that cannot be ranked (This is what Otto Neurath (1973) called scenario optimization)
- To choose amongst these options, we need spaces of deliberative negotiation, where local information can be mobilized, like local knowledge on ecosystems, evaluations of uncertainties, and valuations of potential outcomes.

In other words, important decisions in ecological planning are based on value judgements and tradeoffs, which are inherently political. The kind of planning corporations do within capitalism can provide us little help in learning how to navigate these. We thus have to seek inspiration elsewhere. I believe that looking at the multi-criteria decision aids developed for ecological decision-making is a good start.

Learning from wartime planning

Proponents of that approach might tell us that corporations are not good examples to follow if we want to learn how to balance competing goals and varied interests, but that governments during wartime did exactly that: they directed economic activity by balancing concerns of legitimacy towards the population, the collaboration of corporations, and the geopolitical goals of the war. Governments were mostly planning *in kind* – meaning they accounted for *things* instead of using monetary valuations. Neurath, just after WWI, claimed:

A series of circumstances in economic history and theory that I have long observed and examined made it probable to me, even before the World War, that we were moving towards a centralized administrative economy with a bias toward economy in kind, the coming of which would be greatly accelerated by a world war lasting for years. (1919/1973, pp. 135-136)

A commitment to the war effort and a sense of equality of sacrifice kept people motivated and led them to disclose the right information about production activities. However, these conditions were strictly due to the extreme conditions of the war (Devine 1988, p. 34). We also know that central planning in circumstances of reduced commitment leads to the control and manipulation of information (Kornai 1992).

There is this idea, brought forward by Hans-Jürgen Bieling in this conference, that we could take the opportunity opened up by the current militarization to reclaim fiscal space and to intervene for the socio-ecological transformation. A similar idea claims that the urgency of the ecological crisis might justify wartime-like planning. The thing is, the ecological crisis is unravelling at a very different pace than most wars, and its impacts are much more diffuse. The fact that the ecological crisis will probably not stop anytime soon makes it hard to believe that workers would be ready to accept an authoritative involvement of the state in production for an indeterminate amount of time. If States still centralize power in that context as the ecological crisis continues to worsen, it risks further degrading their legitimacy (Staab and Sorg 2025).

In fact, many argue – including Steffen Lehndorff in the previous presentation – that the only way of acquiring the legitimacy needed to access the necessary information and for planning to be effective is by making planning more democratic (Devine 1988, Albert and Hahnel 1991). That is, decentralizing decision-making power when possible so that decisions are taken by those affected by them, and involving the relevant stakeholders in any central decision required by large-scale coordination.

If we want to bring democratic planning about, one of the main challenges at hand is that of determining which groups should have a say on which decisions, especially if we want these decisions to be deemed legitimate by the people affected. This is exactly *not* what States are doing during wartime. The idea that wartime planning proves the effectiveness of planning in a capitalist context by authoritative states is deceptive since it is anchored in the extraordinary circumstances of the war, and it diverts our attention from the more important issues to be addressed (such as accountability, subsidiarity, and the scale of decision-making...). For inspiration on how to deal with *these* issues, we should rather turn towards democratically-run organizations and associations like large cooperatives, experiences in participatory budgeting, and citizen assemblies.

Conclusion

To conclude, I believe that the proposal of green indicative planning within capitalism is not enough, is unlikely to happen in the current context, and it might even be harmful.

Rather, a sustainability transformation requires:

- A strong opposition to capital interests
- The use of multicriteria decision-making and deliberative settings
- The decentralization of power and democratic accountability

This is why I believe we have to work on devising new ways of coordinating production through planning in a democratic, decentralized, and participatory way. Luckily, several people have attempted that already (see Devine 1988, Albert and Hahnel 1991, Cockshott and Cottrell 1993, Fotopoulos 1997, Bookchin 2005, Laibman 2015), and concrete proposals are multiplying as we speak (see Sutterlütti and Meretz 2023, Heyer and Zeug 2024, Benanav 2025). All that remains is to build on existing local planning capabilities from the bottom up.

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