

NEW ECONOMIC MODEL - WORKSHOP
BRUSSELS, 17 NOVEMBER 2023
WALTER HALLSTEIN ROOM, BERLAYMONT BUILDING

CONCEPT NOTE

1. BACKGROUND

In May 2023, the Beyond Growth Conference in the European Parliament brought together economists, policymakers, and activists to explore how we can transform our current economic system¹.

Participants expressed concerns regarding:

- the slow pace of the European Green Deal. Carbon emissions are currently being reduced by 1-2% per year instead of the required 8-10% and the EU circularity rate is stagnating below 12%;
- increasing inequalities such as a growing gap in income distribution and poverty within countries and between countries;
- the lack of available funds for mitigating climate change;
- the current financial system that does not service people, planet and prosperity across Europe;
- the lack of movement on the adoption of new economic indicators beyond GDP.

Earth4All, a project led by The Club of Rome, the BI Norwegian Business School, Stockholm Resilience Centre and Potsdam Institute for Climate Impact Research, has shown that if we continue with decision making as per now, and the pursuit of GDP growth at all costs, wellbeing will not improve. In addition, it will result in increasing inequality between the rich and the poor, rising social tensions and will inhibit our ability to deal with climate change².

The OECD reports that "inequality is rising in many OECD countries, and that this is a threat to economic growth, social cohesion and well-being"³. Similarly, the Commission's 2023 Strategic Foresight Report points to a strong perception in society that income inequalities have reached excessive levels⁴. At the same time, "wealth concentration is significantly higher than income inequality and increasing, hindering upward social mobility and feeding political polarisation". Furthermore, the ongoing climate crisis is having a devastating impact on people and the planet, posing the greatest challenge of our time.

⁽¹⁾ [15-17 May 2023 - Beyond Growth 2023 Conference \(beyond-growth-2023.eu\)](https://www.beyond-growth-2023.eu)

⁽²⁾ Dixson-Declève, S., Gaffney, O., Ghosh, J., Randers, J., Rockström, J., Stocknes, P. E.(2022): Earth for all - A survival guide for humanity: a report to the Club of Rome, Gabriola Island : New Society Publishers, 195 p.

⁽³⁾ OECD: "Inequality in OECD countries: A scoreboard of indicators." OECD, 2021. <https://www.oecd.org/social/inequality.htm>

⁽⁴⁾ COM(2023) 376 final

2. OBJECTIVES

This workshop aims to gather the scientific evidence for actionable policy recommendations, building consensus ahead of the European Elections in 2024.

The socio-economic targets of the political guidelines for the European Commission 2019-2024⁵ will be used as a starting point. Discussion will include implementation of the European Green Deal, and how we can establish an economy that works for people and planet, while ensuring Europe is fit for the digital age.

The workshop will be held under Chatham House rules without proceedings; however, the desired outcome is a joint stakeholder paper, endorsed by leading scientists.

3. FORMAT

The workshop is co-organised by The Club of Rome, DG Research and Innovation, DG Employment, Social Affairs and Inclusion, and the Joint Research Center.

Participation is by invitation only. It will include coordinators of relevant Horizon Europe projects, as well as scientists, economists and think-tanks active in this area of research and policy.

The workshop will be hosted by the European Commission services in Brussels, preferably as an in-person rather than a hybrid meeting.

(⁵) [political-guidelines-next-commission_en_0.pdf \(europa.eu\)](#)