ALTERNATIVE ECONOMIC STRATEGIES TO RESOLVE GLOBAL INEQUALITIES

In this WERU seminar we will hear from two noted labour economists on the causes of the global economic crisis and proposals for how this crisis might be resolved.

1) "The Case for a Coordinated Policy Mix of Wage-led Recovery and Public Investment." Professor Özlem Onaran (University of Greenwich)

Current G20 economic policies are failing to deliver for citizens. Austerity in many countries has depressed demand and is pushing the global economy onto the brink of deflation. Deepening inequality is producing economic as well as social damage. High unemployment and slow growth in many G20 countries is scarring a generation of young people. If policies remain unchanged, a 1%-point simultaneous decline in the wage share in the world leads to a decline in the global GDP by 0.36%-points. However, demand in the world economy in aggregate is "wage led", and jobs, minimum living wages and collective bargaining are a key part of the solution towards resilient and inclusive growth with increases in aggregate demand and living standards. The choice for the G20 is more of the same or to shift policies. This seminar presents work conducted by Professor Onaran for the G20 Brisbane Leaders Summit this coming November on how a wage-led recovery and public investment could help the global economic recovery.

Professor Özlem Onaran has worked at several universities in the past including the University of Westminster, the University of Applied Sciences-Berlin, Vienna University of Economics and Business, and Istanbul Technical University, before joining the University of Greenwich in 2012. Her research has been in the fields of globalization, crisis, income distribution, wage-led growth, employment, investment, development, and gender. She has more than sixty articles in books and journals such as Cambridge Journal of Economics, Environment and Planning A, World Development, Public Choice, Economic Inquiry and the European Journal of Industrial Relations. She has recently directed a research project for the International Labour Organisation, and is currently working on a project funded by the Institute for New Economic Thinking and the Foundation of European Progressive Studies. She is a member of the Scientific Advisory Board of the Hans Boeckler Foundation, member of the Policy Advisory Group of the Women's Budget Group, and a research associate at the Political Economy Research Institute of the University of Massachusetts, Amherst.

2) "Overaccumulation, Centralization of Capital, and the 2007-8 Financial Crisis." Dr Matt Vidal (Kings College London)

Mainstream analyses of the 2007-8 financial crisis have emphasized seemingly contingent developments within the US mortgage securitization market leading to the
growth of the subprime market, misaligned and distorted incentives, deregulation and regulatory capture. These analyses suggest that the crisis was a contingent outcome of mid-term institutional changes. In contrast, Marxist theory emphasizes how the proximate causes of the crisis are related to longer-term shifts in the dynamics of capitalist development, in particular the relation between the productive and financial sectors of the economy. The Fordist regime of accumulation matured in the late 1960s, generating over-accumulation and excess productive capacity. In response, corporate America began to focus on deriving profits from financial circuits rather than productive activities. A post-Fordist, financialized accumulation regime emerged, where financial ideologies dominated corporate governance and economic policy. The concentration and centralization of capital within the financial sector was the single most important structural dynamic underlying the crisis. As the opportunities for prime lending diminished due to market saturation and, finally, a 2003 rate hike by the Fed, concentrated and centralized capital within the industry, operating in a completely unrestrained manner under cover of efficient market theory and explicit support by beholden ratings and regulatory agencies, broke with long-standing custom and practice to actively seek out subprime borrowers and engage in predatory lending. Regarding policy, the Marxist approach argues that instead of breaking up the banks – trying to hold back the concentration and centralization tendencies of capital – the more effective path would be to take these trends to their logical conclusion by nationalizing the big banks and putting them under democratic control as public utilities.

Dr Matt Vidal is Senior Lecturer in Work and Organizations, King’s College London, Department of Management. His work has been published in Contexts, Critical Sociology, Human Relations, Industrial Relations, New Political Economy, Organization Studies, Socio-Economic Review, Sociology Compass and Work, Employment & Society. He is author of Organizing Prosperity (EPI) and editor (with Marco Hauptmeier) of Comparative Political Economy of Work (Palgrave). Matt is Editor-in-chief of “Work in Progress,” a blog of the American Sociological Association.

This is a public lecture and all are invited but please can you inform us if you are planning to attend from outside the University of Greenwich by contacting Shanaz Sumra (email: ss45@gre.ac.uk).

We attach full details of how to find the venue for this symposium below.
HOW TO FIND US

Hamilton House, 15 Park Vista, Greenwich, London SE10 9LZ
Telephone: +44 20 8331 9083 E-mail: i3centre@gre.ac.uk

DIRECTIONS

By road

Westbound, from the M25
At Junction 2 take the A2 towards London. Continue on the A2 for approximately 15 miles. Continue on to the A102.

From east London
Head east on the A12. Via the southbound Blackwall Tunnel, join the A102.

From the A102
Exit the A102 via the slip road for the A206. Follow the signs for Greenwich. Continue along the A206 for approximately one mile. Shortly after the BP garage on your right, turn left at the traffic lights on to Park Row. Follow the road around to the left on to Park Vista. After approximately 150m, Hamilton House is on your left.

Parking
There is no parking at Hamilton House, but there is a public car park on Park Row opposite the Old Royal Naval College. There are other car parks in the town centre.
By train
Southeastern provides direct services from London Charing Cross, Cannon Street, Waterloo East and London Bridge to Maze Hill, a few minutes’ walk from Hamilton House. Leave the station by the ticket office and walk up to Maze Hill. Turn left on to Maze Hill and then immediately right on to Park Vista. After approximately 150m, Hamilton House is on your right. For train timetable information and a route map, visit www.southeasternrailway.co.uk.

By tube
There are no underground stations within walking distance, so you will need to transfer to further public transport. We recommend that you get off at Canary Wharf (Jubilee Line) and take a Lewisham-bound DLR train to Cutty Sark (see below). Alternatively, get off at North Greenwich (Jubilee Line) and take a 188 bus to Greenwich (see below).

By Docklands Light Railway (DLR)
Cutty Sark station is a 15-minute walk from Hamilton House. Direct services run from Bank, Canary Wharf, Lewisham and Stratford. Easy connections are available from Tower Gateway, Beckton and London City Airport. On exiting Cutty Sark station, turn left and walk past an arcade of shops. Exit the arcade on Greenwich Church Street. Cross directly on to College Approach. Walk down College Approach and enter the grounds of the Old Royal Naval College through the West Gate. Walk through the grounds, passing the university’s buildings, the Painted Hall and the Chapel. Exit through the East Gate and turn right on to Park Row. Walk down Park Row, with the National Maritime Museum on your right. Follow the road round to the left on to Park Vista. After approximately 150m, Hamilton House is on your left.

By bus
Greenwich benefits from regular bus services. The following routes stop on Romney Road: 129, 177, 180, 188, 286 (also a direct route to our Avery Hill Campus), 386. Alight in Romney Road. The closest stop to Hamilton House is for the Trafalgar Estate (there is also a stop for the National Maritime Museum). If alighting for the Trafalgar Estate, turn so the Old Royal Naval College is on your right and the National Maritime Museum is on your left. Ahead of you are set of traffic lights marking a crossroads with Park Row. Turn left into Park Row. Continue down Park Row, with the National Maritime Museum on your right. Follow the road round to the left on to Park Vista. After approximately 150m, Hamilton House is on your left.