

Promoting green planning

by Étienne Goron

A sociologist and an economist who oppose green industrial policy advocate ecological planning based on democratic foundations.

About: Cédric Durand, Razmig Keucheyan, *Comment bifurquer. Les principes de la planification écologique*, Paris, La Découverte, 2024, 256 pages, €20.50.

In recent years, most Western governments have taken industrial policy tools into their own hands in the name of ecological transition. The Biden administration's *Inflation Reduction Act* (August 2022) and the European Union's *Net Zero Industry Act* (February 2024) devote public resources to funding green infrastructure and technologies. Their designated purpose is to accelerate the transition to carbon neutrality by 2050.

According to Razmig Keucheyan and Cédric Durand, this turning point in the history of climate policy is highly unlikely to deliver on its promises. In their essay, which brings together research and political analysis, the sociologist and the economist sketch out a counter-proposal for a large-scale transition with a social and democratic emphasis, the so-called 'ecological planning'.

French readers may already be familiar with 'ecological planning' – an expression which came into general usage in the summer of 2022 following the creation of the *Secrétariat Général à la Planification Écologique* (General Secretariat for Ecological Planning, a department directly attached to the Prime Minister). In historical terms, however, the resurgence of the term 'planning' is highly circumstantial. Between 1980 and 2010, it was virtually banned from the political

vocabulary in France because of suspected affinities with bureaucratic and authoritarian statism of which the USSR was the emblem.

This review presents the authors' critique of 'green industrialism' and discusses some of the ideas that underpin their conceptualisation of ecological planning. In the final section, I put their analysis into perspective with recent political and intellectual debates around the 'realist turn' of the social-ecological left.

A critique of 'green industrialism'

Summarising several publications on the political economy of the ecological transition, Durand and Keucheyan highlight the shortcomings of the economic approaches underlying the 'green industrial policy' of the 2020s. This public policy mainly takes the form of orders, subsidies and loans guaranteed by the State to private players in order to attract more investment in low-carbon sectors. However, as with the provisions of the European Union's *Net Zero Industry Act*, companies are usually subject to minimal constraints in the use of public funding (pp. 148–149). Aside from increasing the concentration of capital, this incentive policy leaves the private sector free to decide on how to implement the transition to carbon neutrality.

The example of the car industry is very telling in this respect. Despite the massive public support received in the United States and Europe, the sector has adopted strategies that contradict the suitable scenarios for the development of alternative forms of mobility (p. 148). A recent study points out that EU policies in this area systematically avoid encroaching on the automotive firms' most lucrative activities (the production and sale of combustion engine vehicles and SUVs) (quoted on p. 28). According to Durand and Keucheyan, 'green industrial policy' postpones the central challenge of the 'global reordering of economic structures', which cannot be met without a shake-up of the *status quo* and an attempt at coordination between industrial sectors (p. 27).

The authors also criticise an influential current of neoclassical economics, represented in France by economist Christian Gollier, who assigns a monetary value to natural resources in economic modelling. Following in the footsteps of Antonin Pottier and others, Durand and Keucheyan argue that this subterfuge maintains the illusion of commensurability and substitutability between ecosystems and human

technologies. According to this logic, which we see at work in the *US Inflation Reduction Act*, additional emissions into the atmosphere could be offset without damage using carbon capture technologies. According to the authors, this approach is highly misleading: with no regard for the fragile equilibrium of the biosphere, it is less concerned with safeguarding the Earth's habitability than with the abstract economic efficiency of climate action (pp. 82–94).

The authors conclude that incentive mechanisms and the monetarisation of natural resources are ineffective in fostering ecological and social bifurcation. In contrast, ecological planning is presented as a better system for allocating resources than the regulated market.

The three pillars of ecological planning: ecological calculation, government by needs and post-growth commissions

Durand and Keucheyan's ecological planning model is based on a number of original ideas. I will introduce three of them, namely 'ecological calculation', 'government by needs' and 'post-growth commissions'.

Ecological calculation follows the way paved by the 'calculation in kind' of Otto Von Neurath, one of the first theorists of modern planning in the 20th century. A contrarian of Friedrich Hayek, Neurath promoted a planning model in which indicators of 'real' resources replace monetary measures. According to Neurath, calculating in kind consists of reasoning on the basis of social needs, the technical constraints of production, the availability of certain raw materials, the fragility of ecosystems critical to the survival of humanity, and so on. In other words, on the basis of incommensurable and diverse data (p. 108).

The issue with ecological calculation is the need to collect reliable data and define good indicators. In this respect, Durand and Keucheyan take a positive view of the fine-grained forms of 'ecological accounting' that have been developed in recent years. In particular, they discuss *Comprehensive Accounting in Respect of Ecology* (CARE), developed by a team of French researchers from AgroParisTech and the Université Paris-Dauphine. This model provides a detailed inventory of metabolic exchanges – waste production, GHG emissions, resource extraction, etc. – between an

organisation and its environment. According to the authors, the application of calculation in kind could encourage the creation of a 'centralised ecological statistical information service' on a national scale in the future (p. 137).

By broadening the spectrum of analysis beyond monetary quantities, ecological calculation projects economic policy into another dimension. From this perspective, ecological planning puts the emphasis on the mechanism of arbitration, whereby needs, productive capacities and natural constraints are weighed up through democratic deliberation.

'Government by needs' responds to the requisite of involving as many people as possible in this arbitration process. In direct democracy systems deployed at local level, citizens would have the opportunity to debate economic priorities in relation to scientific knowledge of ecosystems. As a first step in developing the plan, these deliberative activities would help redefine collective consumption preferences in the face of information about planetary limits. They would also make it possible to share in the plan a knowledge of real social needs, which usually eludes governments. Planning would therefore benefit from a major round of popular consultation, culminating in the 'political ranking of needs' (p. 232).

In designing the political institutions of the plan, the authors are sensitive to certain features of post-1970s Chinese planning and post-war French planning. These two experiences have both encouraged exchange between different levels of governance and the participation of different stakeholders within committees. In this way, the general synthesis of ecological planning would be assembled through the work of multi-party commissions at national level, taking on board the conclusions of decentralised deliberations. Following a parliamentary approval, these 'post-growth commissions', as the authors call them, would be responsible for activating the plan's major budgetary and regulatory levers (pp. 222–223). This way of designing the plan represents democratic progress for the authors, since economic policy would be the result of several phases of deliberation and experimentation at various areas, within government and the public space (p. 237).

Promoting a social-ecological realpolitik?

The ecological planning that Durand and Keucheyan are calling for remains rather an ideal type. Their job is to extract from theoretical and historical analyses a number of general features that can be combined in different ways in a real planning project. They are doing a speculative exercise, the aim of which is to open up avenues for reflection. This is not a shortcoming of the book; indeed, if we consider the exceptional circumstances surrounding the birth of planning in post-war France, the final *design* inevitably includes an element of historical contingency. This is undoubtedly why the question of the feasibility and implementation of their model is not tackled head-on.

We can nevertheless try to discuss some of the political implications of the ecological planning proposal on the basis of what the authors indicate. Ecological planning would appear to be a rather exceptional mechanism in the history of public policy. Given the amount of investment required, it seems clear that it would commit the national economy to a path of dependence over several decades. Shaping tomorrow's production and consumption systems in depth, it would define the long-term conditions for a new social and political consensus. The authors specify that all social strata, including working and middle classes, would be affected (p. 75). Is planning, considered as an encompassing, long-term, collective project, a strategy for establishing a new social contract based on the imperative of protecting the environment?

If this hypothesis is correct, Durand and Keucheyan join the intellectual conversation around the 'realist turn' of the European left. They are part of this current of left-wing researchers and personalities who, in the face of intensifying geopolitical tensions, extreme climatic events and socio-economic crises, are calling for more explicit thinking in terms of strategy and political power. The authors notably emphasise that any planning project depends on the constitution of a 'hegemonic political force' – in other words, on the formulation of a political offer to which a critical mass of the population would subscribe (pp. 247–250).

Within the book, this 'realist' perspective is most apparent in the discussion of the relationship between ecological planning and the war economy. Such an analogy was popularised in France by the well-known left-wing MP François Ruffin in 2020, under the expression 'climate wartime economy'. It outlines the contours of a very proactive intervention by the State in the economy to organise the response to the

climate emergency over a short period of time, according to the principle of national security. Without subscribing to this apocalyptic imaginary, Durand and Keucheyan recognise a certain proximity between ecological planning and a state of exception. Planning would usher in a 'special period', during which the rapid construction of ecological infrastructure would place entire economic sectors under pressure, requiring the population to make short-term sacrifices of purchasing power (pp. 161–162).

The fact that *Comment bifurquer* firmly anchors these debates in a liberal and democratic dimension is not the least of its merits. But the most interesting aspect of the book is undoubtedly the shift in emphasis: bifurcation is seen not just as a 'political issue', but also as a 'technical issue'. As we turn the pages, it becomes clear why it makes sense to look at the machinery of a plan (economic models, accounting techniques, deliberative engineering, plan governance systems, legal concepts, etc.). According to Durand and Keucheyan, the outcome of the fight against climate change and social injustice will depend as much on the political balance of power as on the planners' toolbox.

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