

INTERVIEW

Notes on the Political Economy Of Green Transition: A Conversation with Ioannis Kampourakis

Alezini Loxa,^{*} Mahesh Menon[†] And Ioannis Kampourakis[‡]

This article presents a conversation with Dr. Ioannis Kampourakis, Associate Professor of Law and Markets at Erasmus University Rotterdam, as part of Lund University's Screening for Sustainability project. Kampourakis' research explores the political economy of the green transition, focusing on how markets can be deliberately designed and steered – what he calls 'market instrumentalism' – to achieve sustainability goals. Drawing on Kampourakis' research, Dr. Alezini Loxa and PhD candidate Mahesh Menon enter into a conversation about the political economy of green transition with a focus on the European Green Industrial Policy. They discuss with Kampourakis about the changing role of law in relation to state capitalism, the potential for democratic control over the green transition, the challenges that arise for countries in the Global South as well as the recent political backlash both in the EU and in the US to sustainability related policies.

1 INTRODUCTION

As part of a strategic commitment to bettering the world through knowledge and innovation, Lund University is home to many projects on sustainability..¹ At the Faculty of Law, one such project is the Screening for Sustainability project, led by Dr. Daria Davitti and funded by Formas.² As part of this project, Post-Doctoral Research Fellow Alezini Loxa and PhD Researcher Mahesh Menon initiated a conversation with Dr. Ioannis Kampourakis, Associate Professor of Law and Markets at Erasmus University, Rotterdam on the political economy of green transition.

Kampourakis' scholarship focuses on examining the intersection of law, markets and economic planning, particularly in the context of sustainability transitions and post-neoliberal economic arrangements. A central thesis in Kampourakis' work is what he terms 'market instrumentalism' – the idea that markets can be deliberately structured and deployed as tools for achieving political objectives, rather than being treated as neutral or natural mechanisms. Through detailed analysis of policies like the EU Green Industrial Plan and China's New

^{*} NYU Emile Noel Fellow 2025-2026 and Post-Doctoral Research Fellow in EU Law, Lund University.

¹ For more information see <<https://www.lunduniversity.lu.se/about-university/university-glance/mission-vision-and-values/sustainability>> accessed 1 September 2025. Among the projects special mention should be made to the Agenda 2030 Graduate School established in 2018 in order to bring together PhD students across all disciplines who work on sustainability related questions. Alezini Loxa completed her Ph.D as a part of the Graduate School while Mahesh Menon is a currently a Ph.D candidate within it.

² For more information, see <<https://screeningforsustainability.org/>> accessed 1 September 2025.

Energy Vehicles Strategy, he demonstrates how markets are increasingly being shaped to serve specific public purposes, particularly in sustainability transitions.³

Perhaps his most innovative contribution is his analysis of how planning can occur within market frameworks. He challenges the traditional dichotomy between markets and planning, arguing that all markets involve some degree of planning through their legal and institutional architecture. His work demonstrates how varying degrees of central coordination can exist within market economies. Moreover, his work provides us with important theoretical tools for understanding how legal and institutional frameworks can be reshaped to address sustainability challenges while acknowledging the continued reality of market economies.

Central in Kampourakis' work is the argument that there are alternatives beyond pure market solutions and complete state control, offering practical insights for policymakers and theorists alike. It should thus come as no surprise that we wanted to engage more closely in his work as part of the Screening for Sustainability Project, whose purpose is to bring together experts in order to exchange ideas and collectively understand the legal complexity behind various frameworks adopted with a view to promoting sustainability in Europe and beyond. In what follows you will find the conversation we had with Ioannis during an afternoon in late February 2025.⁴ We hope that our discussion will enrich the ongoing debate on the political economy of green transition.

2 EU LAW AS AN INSTRUMENT OF MARKET PLANNING

Alezini Loxa: Before going deep into your theoretical contributions, could you briefly explain to our audience what the European Green Industrial Policy is?

Ioannis Kampourakis: Yes, of course. The European Green Industrial Policy refers to the set of policies the EU is deploying to reshape its economy and, more narrowly, its industrial production in line with its climate and sustainability objectives. Its goal is to promote 'green growth', while also ensuring the resilience and competitiveness of the EU economy in times of increasing geopolitical competition. In fact, recently, EU politics may be tilting the balance more toward competitiveness and resilience and less towards greening.

In any case, the key components of EU Green Industrial Policy have so far been the Critical Raw Materials Act, which seeks to secure access to essential minerals for the green and digital transition and thus to reduce reliance on external suppliers; the Net-Zero Industry Act, which aims to boost domestic clean tech manufacturing; the Chips Act, which seeks to enhance domestic semiconductor production, again with a goal of resilience and reducing external dependence; and, finally, the recent Clean Industrial Deal, which seeks to 'make

³ See European Commission, 'Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, A Green Deal Industrial Plan for the Net-Zero Age' COM(2023) 62 final; State Council of PRC, 'New Energy Vehicle Industry Development Plan (2021-2035)' (2020)

⁴ For the video version, see <<https://www.youtube.com/watch?v=wIYWZgY4sHk>> accessed 1 September 2025.

decarbonization profitable' by facilitating industrial access to energy.⁵ Of course, these Acts are complemented by the broader, ongoing legal developments and shifting EU priorities – for example, the loosening of state aid rules, the development of green financing mechanisms, such as the InvestEU program, or the use of trade instruments like the Carbon Border Adjustment Mechanism to shield domestic industries from external competition.⁶

Alezini Loxa: In light of the importance of the European Green Industrial Policy Plan for the EU's sustainability aspirations, you suggest that there is a shift in the function of law in the EU integration process and, relatedly, in the relation of law to market planning. Would you want to unpack how law has been used as an instrument to safeguard market competitiveness in the past?

Ioannis Kampourakis: Indeed, I argue that, to some extent (and only to some extent), the Green Industrial Policy Plan signals a certain conceptual shift from the neoliberal paradigm of EU economic regulation, which was defined by the commitment to the safeguarding of the competitive market order. As critical literature has shown, the function of the law in the neoliberal paradigm has been to insulate the sphere of market exchange from political contestation and democratic renegotiation.⁷ In the context of the EU, this has happened, indicatively, through the enshrinement of market freedoms as quasi-constitutional principles, the judicial enforcement of market primacy against national regulations, strict state aid rules and the use of competition law to prevent government intervention in markets, the development of an autonomous monetary policy committed to price stability or hard fiscal constraints that depoliticize economic policy.

Beyond this 'encasing' function, the role of law has also been to embed within public power a kind of neutrality towards 'value' and social need – 'what should be produced?', 'where should we be investing as societies?' – understanding such 'value' as something that may only be determined through market competition. In other words, neoliberalism meant a reorientation of the state from the production of a mystified 'social value' (after all, who would be legitimated to decide about it?) to the safeguarding of the competitive process, where market value is the only authoritative measure of value and need. This shaped a form

⁵ Regulation (EU) 2024/1252 of the European Parliament and of the Council of 11 April 2024 establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1724 and (EU) 2019/1020 [2024] OJ L2024/1252; Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 [2024] OJ L2024/1735; Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe's semiconductor ecosystem and amending Regulation (EU) 2021/694 (Chips Act) [2023] OJ L229/1; European Commission, 'The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation' COM(2025) 85 final.

⁶ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 [2021] OJ L107/30; Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism [2023] OJ L130/52.

⁷ Indicatively, see Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism* (Harvard University Press 2018); Fritz W Scharpf, 'The Asymmetry of European Integration, or Why the EU Cannot Be a "Social Market Economy"' (2010) 8(2) Socio-Economic Review 211.

of statecraft that leaned on claims of neutrality, cost-efficiency or proportionality to facilitate and safeguard a political project that prioritized market ordering.

3 BEYOND THE MARKET-PLANNING BINARY: RETHINKING STATE CAPITALISM AND GREEN INDUSTRIAL POLICY

Mahesh Menon: You argue that law makes planning possible not just beyond but also within markets. What do you mean by this, and how does your analysis of new energy vehicle policies in China, the EU and US illustrate this point?

Ioannis Kampourakis: My point here is that markets, as products of human design, may be used to serve politically set objectives – functioning, in a way, as instruments of planning. In some ways, this speaks to models of state capitalism or forms of indicative planning, where the state does not simply regulate or correct markets; rather, it actively plans *within* markets to steer economic activity toward strategic objectives.

The case of electric vehicles shows how targeted legal interventions that reshape the rights and duties of different actors in the economy can achieve a very specific political objective – the development and wide adoption of a particular technology (regardless of what we think about electric vehicles per se and whether this is a worthy goal). Such planning is necessarily a patchwork exercise: for example, in the case of electric vehicles in China, it required subsidies and investment in research and development, monetary incentives for consumers, conditionalities for locally produced batteries and public procurement, change of traffic restrictions and regulatory controls around vehicle ownership, targeted opening of foreign investment and, ultimately – once the design of industrial policy has borne fruit and production of electric vehicles has been upscaled – the transitioning to market competition without government support so that only the most competitive electric vehicles survive. That means that even market competition may be used instrumentally as a disciplinary force to achieve certain political objectives. Judging by the results, the Chinese experience in the electric vehicle sector has been a success both in quantitative and in qualitative terms. If you watch some early videos of Elon Musk talking about BYD cars – back in the early days of the industrial policy I just described – he laughs and mocks their quality. Now BYD has surpassed Tesla in global EV sales.⁸

Mahesh Menon: Your work suggests we need to analyse planning as occurring on a spectrum rather than as a binary choice between markets and planning. Could you explain this spectrum approach and its implications for understanding different modes of economic coordination?

Ioannis Kampourakis: Planning as a spectrum starts from the assumption that the economy is necessarily, to a significant degree, a product of deliberate design. Any kind of allocation of legal entitlements (e.g. the scope of property rights or contractual freedom) is political and is bound to have distributive effects. From this perspective, we could think of market design as planning in a spectrum – or, perhaps better, a continuum – rather than

⁸ See Sam Meredith, ‘Chinese EV giant BYD outpaces Tesla with annual sales of more than \$100 billion’ (CNBC, 25 March 2025) <<https://www.cnbc.com/2025/03/25/ev-giant-byd-outpaces-tesla-with-annual-sales-of-over-100-billion.html>> accessed 1 September 2025.

a binary choice. At the one end of the spectrum we can place the full entrustment of coordination of production and investment to business and private decision-making, with the state restricting itself to guaranteeing property rights, competition rules and price stability. This concentrates political coercion and expands market coercion. If we exclude command-type economies and keep the analysis within capitalist parameters, at the other end of the spectrum we can place forms of state capitalism with state ownership and strong state disciplinary power towards capital and market actors. In this case, we see a maximization of political coercion and a more flexible approach toward market coercion. In between, planning within capitalism involves different degrees of public and conscious shaping of economic activity in the pursuit of political and social objectives.

This kind of analysis allows us to demystify the notion of state ‘intervention’ in a supposedly naturalized economy. Instead, any design of the economy can be conceptualized as a specific allocation of rights and duties of different actors. When the state ‘intervenes’, it simply restructures those rights, favouring some actors as opposed to others.

Alezini Loxa: In discussing green industrial policy, you argue that the market can function as an instrument of planning while acknowledging certain structural limits. Can you discuss what these limits are? What do you see as the key opportunities and constraints of using markets as tools for sustainability transitions?

Ioannis Kampourakis: My argument starts from the assumption that – despite their institutional, human-made dimension – markets have certain essential properties; for instance, they are made up of exchange-based transactions that are done for individual gain. These properties entail a predilection to produce certain kind of effects. If the profit motive, for example, is an essential property of markets, this means that all market-based institutional formations will be permeated by it. This does not necessarily neutralize the functional and coercive power of market processes, as the profit motive may itself be instrumentalized as part of industrial policy design. However, it concedes significant ground when it comes to broader visions of social transformation. The reliance on the profit motive means that no effort is made to seek the foundations of new motivations and overcome the alienation of individuals from each other, from society and from nature.

But even in the narrower context of sustainability transitions, the profit motive proves incompatible with goals of socio-ecological transformation. For example, in the recent book *The Price Is Wrong*, economic geographer Brett Christophers shows how private investment in solar energy is simply not profitable enough unless it is publicly subsidized.⁹ This means that sustaining a private-led sustainability transition requires the state to constantly subsidize private accumulation – which ultimately forecloses the social dimension of sustainability transitions. In addition, relying on profit-driven private initiative generalizes the market logic of cost-efficiency, which, in itself, detracts from sustainability objectives, if we think about goals such as durability, conservation, etc. Finally, the profit motive means that private actors are likely to cherry-pick the aspects of industrial policy that offer quick returns. For example, green industrial policy initiatives in the US have led to investment in the most short-term profit possibilities – electric vehicles – rather than into the full range of new technologies

⁹ Brett Christophers, *Price is Wrong: Why Capitalism Won't Save the Planet* (Verso 2024).

that would be required for a green transition. This, in turn, reinforces historical patterns of unequal ecological exchange and extractivism that are socially and environmentally destructive – just think of all the new mining projects for critical raw materials.

4 MARKET INSTRUMENTALISM, POLITICAL CAPITALISM AND DEMOCRATIC CONTROL IN THE GREEN TRANSITION

Mahesh Menon: Your framework emphasizes the potential for democratic control over the economy through market instrumentalism. However, given the transnational nature of capital and production networks, isn't there a risk that this potential remains largely theoretical without radical transformations?

Ioannis Kampourakis: Market instrumentalism conveys a promise that markets may be used to advance political and social objectives. In that sense, it conveys an assertion of collective self-determination over what is often presented as natural, apolitical, anonymous market processes. However, following up on the previous answer, what the strategic deployment of markets can achieve is limited. One reason is that the reliance on private ownership and profit-based initiative inherently constrains the scope of state intervention, as the logic of capital accumulation imposes structural imperatives that shape both the state's options and the outcomes of its interventions. Nevertheless, this is not to say that the scope of private ownership and profit-based initiative cannot be constrained even *within* conditions of capital accumulation – but this would require further analysis.

Another reason for the limitations of market instrumentalism, as you point out, is that state control would have to function in a context of transnational circuits of capital. Capital mobility limits the ability of any single state to impose binding constraints on capital. Yet, there are some counterpoints here as well: capital mobility itself can be restrained, trade and investment agreements can be redrawn, and market instrumentalism can involve public ownership (not only private investment). In short, while I agree with your point that the transnational nature of capital places limits on state-led projects to democratize the economy, it is worth reflecting on the extent to which the 'transnational nature of capital' is itself a product of state power – and, therefore, potentially reversible.

Alezini Loxa: In your recent work, you develop a dual thesis of 'market instrumentalism' and 'political capitalism' to analyse emerging legal rationalities in the EU green industrial policy. Could you explain what these two concepts mean, how they work together and what they reveal about the changing role of law in the path to green transition?

Ioannis Kampourakis: By referring to 'market instrumentalism' in the context of EU green industrial policy, I mean the emergence of a regulatory regime that casts off its agnosticism about value that I described earlier and, thus, the commitment to competitive markets *in the abstract*. In contrast to the model of neoliberal statecraft that delegated authority to market ordering and relied on processes of market coordination not only for welfare and social prosperity but for the very definition of that 'welfare' and 'prosperity', the new economic statecraft launched by EU green industrial policy reaffirms – even if half-heartedly – the role

of the political in the economic order. What emerges is a regulatory regime that seeks to shape markets in alignment with politically determined objectives. The attempt to design markets that generate social effects in line with political priorities introduces a concept of value that is *external* to the market and the competitive order. This interjection of ‘social value’ through the establishment of meta-objectives, like climate neutrality, reflects an ongoing, incomplete transition from market coordination to political coordination.

By using ‘political capitalism’, I attempt to capture how the legal architecture of the green transition introduces a form of statecraft that does not only seek to secure the conditions for private accumulation but rather becomes actively involved in it. This challenges the idea of public power as a depoliticizing force that only insulates markets, which I also briefly described before. What we see instead is that public power politicises private accumulation – most notably through strategies of derisking that guarantee private profitability and socialise the risks of investment. Political capitalism complements market instrumentalism; the reconceptualisation of markets as instruments for political ends presupposes a redefined role for public power in economic statecraft to sustain an economy rooted in profit and private ownership over the means of production. In other words, the willingness to deploy markets for political ends is coupled with the direct involvement of public power in value formation and the securing of private accumulation in ways that signal a changing, ‘post-neoliberal’ state-market relation.

5 FROM POST-NEOLIBERAL POSSIBILITIES TO GLOBAL JUSTICE CHALLENGES.

Mahesh Menon: Your analysis draws heavily on EU and Chinese examples of industrial policy. To what extent do you think your conclusions about post-neoliberal possibilities can be generalized given the unique institutional contexts of these cases?

Ioannis Kampourakis: In answering questions like this, we have to take into account factors like path dependency, institutional specificity as well as other contingent factors, like societal pressures, labour organisation and mobilisation, etc. Any discussion of the state in capitalism has to be a historically situated analysis that examines the particular, historically specific regime of accumulation. That said, I believe the themes of *market instrumentalism* and *political capitalism* capture a broader and evolving trend: the deepening entanglement of public power with processes of capital accumulation. This trend is particularly visible in the growing role of the state in *derisking* private investment – acutely observed by economic geographers in the renewables sector – and reflects a shift toward more proactive forms of administering accumulation. It is also important to remember that the debate around *political capitalism* originally emerged in the United States, particularly as part of intra-left critiques of the so-called ‘Bidenomics’. Still, any shift beyond neoliberalism remains contested and uneven and it is bound to take different shapes depending on the institutional context.

Mahesh Menon: You argue for combining strategic market deployment with expanded decommodification. But given the tendency of market rationalities to

colonize other social spheres, isn't there a danger that this hybrid approach ultimately reinforces rather than transforms market dominance?

Ioannis Kampourakis: This is a great and challenging question. On a first level, this is indeed one way to see it, and I mostly agree with the critical point. Strategic market deployment is another way of perpetuating – and potentially even rescuing or reinforcing – the capital relation. This insight resonates with various critical traditions of political economy, including the Frankfurt School and the Regulation School. This is also what I tried to show with the idea of ‘political capitalism’ and the shifting institutional forms that enable accumulation. This kind of commitment to accumulation will likely erode the very bases of decommodification in the long term, if not make them impossible from the outset. Yet, there are two potential challenges or complications that I believe are worth reflecting on in more detail.

One challenge has to do with temporalities. If the starting point is a capitalist economy operating on the basis of the profit motive and private ownership over the means of production, then it is difficult to see how to transition directly to a fully decommodified society. In that sense, market instrumentalism (and the form of state control over the economy it implies) could be a transitory stage, creating public capacity for advancing decommodification. Of course, this strategic approach would need to be coupled with directly decommodifying and redistributive measures. In a way, such an approach resonates with early visions of social democracy that saw state intervention not as a correction of ‘market failures’ but as intermediary steps and a transition mechanism towards a post-capitalist society.

Another challenge has to do with what your critical point presupposes: that is, the market tendency to colonize other social spheres. Even if we agree that this tendency is an essential property of markets, should we really understand it as an unyielding force? Or is this being overly deterministic? To what extent could this tendency of colonization be contained – for example by institutions and societal pressures? While there are no easy answers here, China's experience indicates that there might be avenues – even if historically and politically specific – to maintain the primacy of the political and forms of discipline toward private capital, in ways that precisely contain this colonizing tendency. Similarly, drawing from examples of industrial democracy and the welfare state in post-war Europe, we can think of the kind of societal counterpowers, such as organized labour, that can achieve a similar containing effect.

Alezini Loxa: When we think about green industrial policies and the drive for strategic autonomy in the Global North, what implications do you see for Global South countries? How might the legal frameworks you analyse need to be rethought when considering questions of global justice, particularly given existing patterns of global production and resource extraction?

Ioannis Kampourakis: This is an important dimension of the discussion. The EU's pursuit of domestic green growth, in particular through the emphasis on critical raw materials, clearly risks perpetuating and reinforcing existing patterns of core-periphery extractivism. Your reference to strategic autonomy is well placed. The EU has leveraged WTO law to challenge export restrictions and developmental strategies of resource-rich countries, such as

Indonesia. At the same time, it has negotiated free trade agreements that prohibit export taxes, export monopolies, dual-pricing etc. while securing market access for European investors. There is growing literature on how the EU's greening aspirations fit within a historical continuum of colonial and neo-colonial relations.¹⁰ Of course, EU industrial policy was never about global justice to begin with. But even if we take its nominal goal of climate neutrality seriously, then the continuation of extractivism and the exacerbation of global inequalities and unequal ecological exchange for *domestic greening* is short-sighted and counterproductive.

There is an argument that mining is essential for green technologies and, thus, for a green transition, with EU regulations aiming to mobilize extraction projects not only abroad but also within the Union. Yet this push raises a set of questions and public debates that have, so far, been insufficiently addressed: 'How much mining is truly necessary?', 'For which technologies or commodities?'. For instance, should electric cars be prioritized, or should we focus more on expanding public transportation? The answers to questions about production and investment priorities also determine the volume of mining required for a 'green transition'. Similarly, how should profits associated with mining projects be distributed – and to whose benefit? We know that export of raw cobalt and lithium constitutes only about 0.6% of the total value chain – this effectively locks extraction sites into a subordinate position, confined to the low-value end of the chain, with the bulk of profits accruing further downstream. Finally, what role do affected communities play in the decision-making? For example, while the European Parliament introduced amendments to the Critical Raw Materials Act aimed at protecting indigenous rights – including provisions for meaningful consultation and fair compensation – these safeguards remain weak when measured against the well-documented and recurring patterns of extractive exploitation.

6 BETWEEN DEMOCRATIC PROMISE AND POLITICAL BACKLASH

Mahesh Menon: After the recent US election, different EU political actors have suggested that simplification and deregulation might be the key to ensure the competitiveness of European markets.¹¹ The relevant statements, together with the proposal for an EU Omnibus as a means to revisit the commitments agreed in the Corporate Sustainability Reporting Directive the Corporate Sustainability Due Diligence Directive and the EU Taxonomy has created a lot of concern within Business and Human Rights circles about the possibility of backtracking the commitments made in the European Green Deal.¹² What is your opinion on these evolutions?

¹⁰ See Diana Vela Almeida and others, 'The "Greening" of Empire: The European Green Deal as the EU first agenda' (2023) 105 Political Geography 102925; Sanja Bogoević, 'The European Green Deal, the rush for critical raw materials, and colonialism' (2024) 15(4) Transnational Legal Theory 600.

¹¹ See also Report by Mario Draghi, 'The future of European competitiveness' (September 2024, Publications Office of the European Union 2025).

¹² European Commission, 'Proposal for a Directive of the European Parliament and of the Council amending Directives (EU) 2022/2464 and (EU) 2024/1760 as regards the dates from which Member States are to apply

Ioannis Kampourakis: I have also followed these developments. Indeed, there does seem to be growing opposition against the Green Deal, both from the European far-right and – crucially – from the center-right, which is to some extent ironic, because the Green Deal is very much a product of the political right and, one could say, even a core legacy of von der Leyen. As we briefly discussed before when we referred to ‘political capitalism’ (and despite the more theoretical point of a conceptual shift), the Green Deal does not decisively break with neoliberal economic governance, and it relies heavily on derisking private investment, which serves as a way to guarantee private accumulation. At the same time, we know that financial capital was significantly involved in the shaping of certain of its aspects, such as the sustainable finance agenda.

These current developments make it tempting to assume a defensive position of the Green Deal as a whole, considering that the alternative might be deregulation. However, in my opinion there is also space for a more assertive stance. This would be to reclaim the conceptual core of the Green Deal properly understood – that is, its assertion of public control over the economy and the setting of climate neutrality as a political target – while redesigning its policy tools to *expand* public capacity and strategic direction. That means moving beyond derisking toward direct public investment, toward further democratization of industrial policy – for instance through the expansion of public ownership and the creation of Investment Boards – and toward the introduction of meaningful constraints on private capital, such as restricting exit from green investments rather than merely subsidizing them. Even if such an agenda is only partially successful, this is the kind of effort that could potentially pull the political centre of gravity and influence the fate of the Green Deal.

7 LOOKING INTO THE FUTURE

Alezini Loxa: Finally, in a utopian scenario, where you have full control over the direction of the political economy of green transition in the EU, what measures would you pursue?

Ioannis Kampourakis: This is a generous offer! If we are talking about full control, I think we need to look beyond concrete policies, to the forms of public power that underpin an economy revolving around profit. My normative thinking is built around three forms of power: public decision-making power, disciplinary power, and countervailing power. Decision-making power is the most far-reaching. Essentially, it calls for expanding democratic decision-making over the allocation of productive and investment resources. It means we should have a say, as citizens, over the direction of the economy: over what is produced, what has value for our societies, where our resources are invested, etc. Of course, there are different ways such public decision-making power could manifest – for example, through public ownership, state-controlled finance, public investment based on decisions by

certain corporate sustainability reporting and due diligence requirements’ COM(2025) 80 final; European Commission, ‘Proposal for a Directive of the European Parliament and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting and due diligence requirements’ COM(2025)81 final

investment boards, etc. In its core, this is a form of power that calls for restricting the domain of the market and expanding collective self-determination over the economy.

Your question gave me full control, so I could stop here. But for the sake of completion, let me say something about the other two forms of power I mentioned. Disciplinary power is envisioned within a context of market economy and refers to how the state can discipline private actors, expanding an arsenal of control measures aimed to ensure the alignment of private activity with public goals. These could include, for example, measures such as capital controls, buffer stocks, price controls or limits on early exit from green investments.

Finally, countervailing power is a corrective to the centralizing tendencies of the two previous directions. It is a recognition that democratizing the economy requires effective deliberation and participation in the decision-making structures, with particular attention to social groups that are structurally disadvantaged and often excluded from governance decisions. This participatory impetus could extend both in the public sector, as a counterweight to technocratic managerialism, and to the private sector, through the institutionalisation of mechanisms of dissent and self-contestation in corporate governance that may challenge the commitment to accumulation.