

## **A decade without recovery: Why secular stagnation characterizes contemporary capitalism**

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### **Abstract:**

A feature of the Global Financial Crisis of 2007-08 and the Great Recession that followed is its secular nature and its persistence now into a 10<sup>th</sup> year. This persistence is not because of the absence of efforts to resolve the crisis on the part of governments across the globe. Rather it is because of the neoliberal policy context in which the crisis occurred, reflected in the private debt bubble on which the growth that preceded the crisis rode and the associated rise to dominance of monetary as opposed to fiscal policy in macroeconomic management. This not only shaped the causative factors underlying the crisis, but also limits the response and forecloses certain policy options in the wake of the crisis. Investigating these features of the crisis and its aftermath, the paper would examine why it has persisted for a decade and assess the prospects of its resolution in the foreseeable future.