

Degrowth - 12 lines of flight for a just economy beyond growth

1.) Our goal: Social rights - global and concrete

What is our goal in criticising growth, and why do we think it necessary in principle to sketch lines of flight for a degrowth economy at this juncture? Our goal is to establish social rights globally, such that a good life is possible for everybody. Our alternative of a just degrowth economy is not simply focused on an abstract "survival of humanity" or "saving nature," as are many varieties of growth criticism. This kind of perspective is in danger of obscuring the concrete social rights of individuals and groups. Instead, it aims at meeting the demand for social justice and equality in the here and now, and in the future. Just as in the past when the English farmers were driven from the commons by the landed aristocracy, the social question cannot be considered separately from the ecological - despite the fact that this has been done frequently in the past. After a period in which transnational corporations have seized more and more natural resources, and in view of the worldwide escalation of the biocrisis (that is: the climate crisis, peak oil, loss of biodiversity, land degradation, etc.), which dramatically threatens the survival of hundreds of millions of people, (global) justice can only mean socio-ecological justice. A central coordinate pointing in that direction is the just degrowth economy.

2.) Nature is limited and resistant

Unlimited growth on a finite planet is impossible. Neoclassical economists block out the existence of nature and its resistance. Matter, space and time, as dimensions of what we call reality, do not appear in their textbooks. Nature appears only in the form of resources, which when scarce can be substituted for by the increased investment of capital. Yet production and reproduction are fundamentally based on nature: the planet provides services (clean air, farmland, etc.), and raw materials are extracted from it and transformed. Nature has limits, and they can only be insufficiently compensated for by capital. Of course, it would be possible to calculate the costs of using artificial pollination machines for an orchard in California, but when there are no more bees, then we are in serious trouble.

The global biocrisis, above all the climate crisis, and the fact that the production peak of petroleum (Peak Oil) will soon be reached, place external limits on growth. The connection between the exploitation of highly concentrated fossil energy sources and the capitalist system of growth makes Peak Oil (prognoses range from 2005 to 2020) an especially critical phenomenon - the question is simply how to respond: chaotically and violently, or with democratic planning and cooperation. Deadly weather extremes and resource wars cast long shadows ahead. This will not improve conditions for social struggles worldwide.

3.) Decoupling is not possible

The past few years have seen a renaissance in concepts of "sustainable" or "green" growth, a Green New Deal and other variations of "green" capitalism. Think tanks develop new concepts, with which politicians try to create new majorities. Common to all of these programmatic approaches is the notion that a comprehensive decoupling of economic growth from resource use and environmental destruction is possible. Technological innovations, renewable energies, increases in resource-use efficiency and the "green" service sector society - the proclaimed goals of dematerialized growth - would make it possible for the gross

domestic product to continue to grow, while at the same time less and less fossil energy and other limited resources are used. This kind of decoupling - to the absolute degree that would be necessary - is an illusion. The necessity for reducing CO₂ emissions in the advanced industrial countries of the North, while simultaneously maintaining their economic growth, necessitates increases in resource efficiency and technological developments that are beyond what is technically and politically possible. This is true also in view of the manner in which our economy functions, the historical evidence of the falling rate of innovation and the failure of decoupling strategies up until now.¹ Hence, growing out of the biocrisis is not a viable option. Moreover, shrinking the economy to a healthy level in the North is also necessary because the poorer regions in the South must be given options for development and growth in the mid-term future.

4.) „Leur récession n'est pas notre décroissance!“

...was a slogan during the protests against the crisis in 2009 in France ("Their recession is not our degrowth!"). Because one thing is clear: Our idea of a degrowth economy is not to shrink the economies within the existing economic and social structures and distributory relations - this would lead to massive social cutbacks, poverty and other symptoms of capitalist crisis, such as we are currently experiencing. Within the existing growth-dependent structures, shrinking the economy means that increases in productivity cannot be compensated for by growth, and consequently unemployment increases rapidly. Demand decreases, the crisis intensifies, the recession is accompanied by deflation. At the same time publicly administered tax revenues decrease, social security systems come under pressure, and debt explodes. Both lead to a dangerous spiral of recession and pauperisation. In growth-dependent capitalism the following holds: shrinkage = recession = social crisis.

5.) ...and your austerity is not our degrowth!

The transformation to a just degrowth economy demands struggling for a new economic grammar, one that would make social justice and a good life for people all over the world possible in the first place. It would lead consequently to a reduction of the GDP. However, focusing solely on the imperative to shrink is reductionist and dangerous. This is made evident by neo-liberal and conservative or neo-feudalistic varieties of growth criticism, especially in the Federal Republic of Germany, which, with their ecologically motivated arguments join the reactionary chorus of: "We have lived beyond our means," or: "We have to tighten our belts," and turn criticism of growth into a lever for justifying austerity and cuts in social services.² In opposition to this, the concept of a solidarity-based degrowth economy of *décroissance* aims at a democratically negotiated reduction of production and consumption in order to enable social rights for everyone, globally, now and in the future.

6.) There is no good growth, only a good life!

Degrowth is not aimed at abstract and utopian speculation about a society that emerges after capitalism, rather it aims at recognizing often unseen socio-economic and ecological dynamics, and the corresponding reorientation of emancipatory strategies. Governments and transnational corporations are opposed to this. Yet the same is true of those who agitate against the current crisis with the slogan "No cuts, more growth", like the bureaucrats of the European Federation of Trade Unions. Despite the necessity for pushing back against social cuts, they fall into the illusion that social problems can be solved by more growth. For decades the growth rates of the industrial countries have been declining, a process which has its causes not only in the limits to growth (increasing cost of resources, destruction of the climate, etc.), but also in the internal barriers

¹ Cf. Sustainable Development Commission (2009), *Prosperity without growth?*, <http://www.sd-commission.org.uk/pages/redefining-prosperity.html>; NEF (2010), *Growth Isn't Possible*, <http://www.neweconomics.org/publications/growth-isnt-possible>.

² Cf. www.denkwerkzukunft.de/index.php/englishdocuments Cf. also the ideas of Zac Goldsmith, a conservative representative in the House of Commons, "The Constant Economy."

of capitalistic development (relative saturation of demand). Growth alone has not been enough to alleviate structural unemployment effectively (jobless growth) for a long time; nor does growth increase public welfare; and the rising tide does not lift all boats.³ Peak Oil is also a serious challenge to the growth strategies of the traditional left. Wars fought to secure raw materials, catastrophic deep-sea drilling and millions of refugees are an integral part of the fossilistic growth model. Growth is opposed to the goal of global social rights. Because what grows are abstract exchange values and accumulation opportunities for the few, which make a good life for everyone impossible.

7.) Goodbye, Keynes - good morning Keynes and beyond...

Keynesian policy-making failed in the 1970/80s when it was no longer able to satisfy the requirements for returns on capital. In short: the Keynesian growth model reached its limits. The answer was the neo-liberal counter-revolution, as Milton Friedman, its mastermind, called it. In the meantime, the neo-liberal growth model of finance capitalism is also in a crisis. In view of the failure of Keynesianism - above all in the global context - and the apparent ecological limits, hopes for a new Keynesian phase, an eco-Keynesian growth program beyond neo-liberal finance-market capitalism, miss the mark. Many concepts discussed by the emancipatory Left - even Keynesian - are still important, especially those aimed at reducing social injustice and exploitation: radical redistribution, shortening of working hours, economic democracy and control of capital and investment. It is necessary to re-conceptualize these in connection with ideas that go further, such as (re)appropriating common goods, deglobalisation, new forms of work, food sovereignty⁴ and energy democracy, under the guiding principles of an economy that does not grow, but shrinks to a point of stabilisation. So it is necessary to discover the hidden Keynes, the theoretician of stagnation, who sketched a society freed from the compulsion to work and the profit motive. In the end we have to pass through and go beyond Keynes, in order to arrive at our just degrowth economy.

8.) Reduce production, shorten working hours, redistribute wealth, regulate investment

Degrowth means a break with the superficial, positive-sum game logic of distributory policy making and the illusion of an economy based on scarcity, one in which there is only redistribution when the economy grows. Not only has "trickle-down" failed radically; growth actually contributes to the production of underdevelopment and the increasing inequality of distribution. Yet there is enough for all. Wealth must be distributed equitably, and not grow further. For this to happen, we not only need a minimum income, but also a maximum income, as the French *décroissance* movement demands.

Degrowth also says goodbye to the illusion of a growth-based full-employment society. For a long time, the real rates of growth have not been sufficient to integrate the work force, set free by increases in productivity and commoditisation, back into the labour market. The alternative to making large sections of society poorer and "obsolete" is to shorten the working hours for everyone. In addition, reducing the absolute number of hours performed in wage-labour is actually necessary for a long-term reduction of the GNP. 20 hours are enough - for a start!⁵ And don't forget: there is a life beyond working for wages, in which - as feminist economists always stress - much of the necessary work (re)producing society is performed. And this also has to be distributed - to everyone.

The reduction of working hours is sand in the gears of the growth economy and it creates necessary strategic latitude, but that alone is not enough. In the end, additional massive "rationalisation" would be the answer of corporations, and their imperative to make profits, to grow, would not be dislodged. New forms of

³ This saying can be traced back originally to J.F. Kennedy, and it claims that growth raises the income of the poorest. Cf. for example, the speech by the managing director of the IMF, Rodrigo de Rato, *A Rising Tide Lifts All Boats: How Europe, by Promoting Growth, Can Help Itself and Help the World*, <http://www.imf.org/external/np/speeches/2006/052206.htm>; and the report by NEF (2006), *Growth Isn't Working*, <http://www.neweconomics.org/publications/growth-isn%E2%80%99t-working>.

⁴ Cf. <http://viacampesina.org>.

⁵ Cf. www.neweconomics.org/publications/21-hours.

demonetised transaction, a just solidarity-economy and the cultivation/management of commons are crucial. At the same time it is necessary to intervene in the actually existing finance capitalism, to control investment democratically and turn it around - away from fossil high-growth sectors to the "care economy", use-value oriented grass-roots services and social-ecological reorganisation. And instead of servicing (public) debt, we struggle for debt cancellation. Drop the debt!⁶

9.) Beyond capitalism

All those who seriously attempt to go beyond a criticism of growth and strive for degrowing the economy face enormous challenges, because it is a matter of fundamental social transformation, one which takes hold at the roots. Plausible technocratic concepts for a degrowth economy, as well as exemplary islands of projects of a solidarity-based economy are essential - but they are not enough if the accumulation process of capitalism continues. Growth is driven by the blind self-realisation of capital: Money is invested in production in order to earn more money, which requires an increase in the production of value. So degrowth means that the self-valorisation opportunities of capital decrease and the fictitious asset claims, inflated by the financial markets, cannot be realised. In addition, in order to arrive at a just and ecological economy, many production facilities - above all in the fossil sectors - must be shut down in the course of a transformation to a degrowth economy (disinvestment). Both mean the destruction of capital. There is no way around this central core of political economy if global social rights are to be realised, and thus no way around the question of power. The problem: the neo-liberal project of globalisation, with its liberalisation of markets (WTO, IMF), privatisation, de-regulation and attacks on collective social agents, has increased the power of transnationally active capital enormously. FAQ: what constellation of social agents, with what interests, means and strategies has the will and ability to establish a just degrowth economy and the necessary de-commodification and de-monetisation of the (re)production sectors?

10.) Buen vivir beyond tradition and modernity

The idea of eternal growth, tied to the idea of *homo economicus*, is an integral component of the concept of modernity. It is time to abandon this notion here and now. But the good news is: "We never were modern!", as Bruno Latour discovered and Donna Haraway confirmed.⁷ Nor are we the "dromomaniacs" (speed fanatics) as we have been called by the French urbanist Paul Virilio.⁸ But even if we abandon growth - farewell, farewell! - we will continue to claim the modern concepts of human rights and democracy, which have been the fruits of struggles for emancipation. Degrowth does not mean abandoning the idea of the possibility for progress - instead it means liberating the idea of progress from the belief in piling up goods and economic growth. Thus, degrowth does not mean returning to tradition, to the stone age, or giving in to an anything-goes post-modernism. Degrowth takes seriously the post-colonial situation and the multi-polar constellation caused by the ascendancy of newly industrialising countries - and thus the question of global justice and equality. The concrete utopia of the good life (*buen vivir*) in an egalitarian society without growth constitutes a new point of orientation beyond tradition and modernity. The idea of a just degrowth economy reopens the horizon of opportunity beyond the dominance of ruling economic conceptions and imperatives. It is a matter of de-colonizing the imagination, of the de-mystification of fetishised conceptions such as economic growth, progress, wage labour, efficiency and GNP. Preguntando caminamos...

⁶ Cf. www.cadtm.org

⁷ Bruno Latour (2008), *We Have Never Been Modern. Attempt at a Symmetrical Anthropology*, Harvard University Press; Donna Haraway (1991), *Simians, Cyborgs, and Women. The Reinvention of Nature*, Routledge, New York.

⁸ Paul Virilio (1986), *Speed and Politics: An Essay on Dromology*, Autonomedia.

11.) Trans-communalism instead of post-democracy

Democracy has been suffering severe attacks through the neo-liberal rollbacks since the 1970/80s. At the latest with the emergency conditions of the world economic crisis and the massive bailout packages put together overnight for the banks we have arrived at a post-democracy. The social impact of the crisis and the social consequences of the biocrisis increase the pressure on democratic structures. Therefore, a just degrowth economy requires new democratic institutions, a reconstitution of local and national democracy. European democracy and a global democracy are still a long way off. Therefore the restructuring of production aims for deglobalisation, a new articulation of the local level with the national and global on the basis of new democratic procedures.⁹ Among these are the control of financial markets, and especially investments. We will not fall into the trap of shortsighted localism. Nor that of racist chauvinism in view of the streams of migrants and the projected nine billion people living on this planet. Instead, it is necessary to invent democratic trans-communal strategies.

12.) The horizon of degrowth

Defensive battles against the politics of austerity will impact the second phase of the crisis, which began in the Euro zone. These struggles against social cuts are and will continue to be defensive. An offensive project that actually points beyond (neo-liberal, finance-market driven) capitalism is not yet evident. But we need a new horizon in order to focus our energies. One of the guiding points (directions) which mark this new horizon is the (solidarity-based) degrowth economy.

The altermondialiste or "global justice" movements (comprising trade unions, political groups, networks and organisations) with their anti-neo-liberal position played an important part in reconstituting the social question after the long years of the neo-liberal "pensé unique" of the 90s. Around 2007/08 - symbolized by the founding of Climate Justice Now! at the climate summit in Bali, the first degrowth conference in Paris, and most of all by the indigenous movements at the World Social Forum in Belem¹⁰, etc. - the reconstitution of the field of critical political ecology, environmental and climate justice began.

It appears imperative to us that ecological justice becomes an integral component of a potential second cycle of the "global justice" movement. The degrowth horizon links the social and ecological questions (of distribution), it connects micro-practices with macro-economic concepts and joins trans-communally the local with the national and the global level. The just degrowth economy is a perspective for an offensive movement that connects the old and the completely new in a coming horizon.

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⁹ Walden Bello (2002), *Deglobalisation: Ideas for a new world economy*, Zed Books.

¹⁰ Cf. www.movimientos.org/fsm2009.