# Beyond the Choke Hold of Growth: Post-growth or Radical Degrowth?

#### Article by Giorgos Kallis, Riccardo Mastini, Tim Jackson

November 9, 2018

In part two of <u>Riccardo Mastini's interview with Giorgos Kallis and Tim Jackson</u> at the <u>Post-Growth 2018</u> <u>conference at the European Parliament</u>, they trace the history that led to growth being prized above all else and discuss how to conceptualise a future beyond growth. What does this mean for capitalism as we know it?

# Riccardo Mastini: Growth seems to be a common denominator across the political spectrum from liberals and socialists to conservatives and even some greens. Its importance can be traced back to the Enlightenment. Why is growth such a shared and sacred goal that has shaped our imaginary for centuries?

**Giorgos Kallis**: Simply put, growth stabilises capitalism. Capitalism is a system premised on the logic of growth: profits are made and then invested to make more profit. It's the only expansionary socio-economic system in the history of humanity; other civilizations were more or less stable. And growth is not an Enlightenment idea. The idea that a nation needs to achieve two or three per cent growth each year emerged quite recently in the 20th-century context of two world wars, the Great Depression, and the Cold War.

The idea of growth may have some roots in Enlightenment thought, but it is not necessarily a direct evolution. The Greek-French philosopher Cornelius Castoriadis, who is quite influential in the French degrowth debate, argues that the Enlightenment involved two separate projects. On the one hand, we have the Enlightenment quest for autonomy, our right to question our institutions and a refusal to accept truths as handed down from tradition or the gods. This questioning is at the heart of what we understand as democracy. On the other hand, there was the drive for constant conquest of nature and expansion, the project of capitalism. Yet capitalism and the project of subduing nature cannot be questioned, running contrary to the democratic ideal. So while we typically think of democracy and capitalism as one and the same, Castoriadis claims that these two projects are ultimately incompatible.

I'm all for the Enlightenment and questioning things, for reason and reflection, but that does not need to be tied to the impetus of constant growth. In many ways, the two aspects are in conflict. An obvious conflict is that nowadays you cannot really question growth. Consider Steven Pinker. Supposedly he stands for Enlightenment and reason, and those of us who question his claim that the world is constantly improving are biased, politically motivated ideologues. Yet you read his book *Enlightenment Now* and it is raging ideology. Reading the chapter on environmentalism, I couldn't believe my eyes. The chapter starts by putting Pope Francis, Naomi Klein, and Al Gore in same basket as Nazis and ecoterrorists. You see here how the defence of the capitalist system in the name of reason actually goes against reason itself.

## Riccardo Mastini: Tim, you have argued that the defence of growth in the abstract can verge on the religious.

**Tim Jackson**: One of the Enlightenment's projects was the idea of social progress, which gained particular importance because of the Enlightenment's rationalist attack on conventional religion. In a world in which there is no heaven or God, social progress has to be cashed out in material terms of the here and now. So as we moved from an enchanted to a disenchanted world, our economic structures became more and more important and economics emerged as the dominant way to think about social progress.

The classical economists collapsed the vision for expanding social progress, the greatest happiness for the greatest

number, into a fixed system represented by financial flows. Happiness and well-being became economised and, after the challenges of the Great Depression and the Second World War, enshrined through financial architecture and the accounting framework of gross domestic product. The religiosity with which we now think about growth and GDP is directly linked to religion itself, because we no longer have God to save us.

# Riccardo Mastini: Many worry that questioning economic growth implies limiting human achievement and that, in a disenchanted world, the only thing we have left is expansion of the human being. Shouldn't we be emphasising the need for a different, qualitative growth rather than pushing against growth?

**Tim Jackson**: I don't disagree with that, there is need for enchantment. Some of that enchantment can be seen as growth or development in personal terms. But it's interesting how it is framed as, "Can we please keep the growth word at all costs?" We need to be a little bit sceptical of that.

**Giorgos Kallis**: There is an underlying ideology at work in the idea of qualitative growth that worries me. It's a very Western contemporary way of thinking that holds not that things have to be good, nice or beautiful, but that they must be in a constant mode of expansion. This idea is not innately human and many civilizations before ours did not share it. Qualitative growth reproduces this idea of constant expansion. But the term does not really make sense because quality does not grow. Quality changes and evolves but only a quantity grows. Sure, we want more of certain things such as windmills or parks in cities. But 'more' is not the same as growth, which means constant and perpetual expansion at a compound rate. This idea of perpetual expansion, which comes from economics, has infiltrated our subconscious. Take the seemingly innocuous notion of 'personal growth'. In what meaningful sense does a person grow? Are you three times better or kinder today than 10 years ago? Your personality flourishes, evolves, matures, changes, but it doesn't grow!

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# Riccardo Mastini: Degrowth evolved in part as a critique of economic reasoning. Giorgos, you argue for radical degrowth, whereas Tim, you focus more on a world without growth. What is the difference between the two perspectives?

**Tim Jackson**: My emphasis is not so much on 'without growth' as 'prosperity without growth'. I look to tease apart prosperity and growth and say that they are different. Economic growth may at times be the appropriate means to achieve prosperity, but today we have moved beyond that. Growth has reached limits imposed not by us, not by God, but by the reality of a finite planet and fragile ecosystems.

When I was working on the report for the Sustainable Development Commission, which eventually became *Prosperity Without Growth*, the degrowth movement was also emerging with the First International Degrowth Conference in Paris in 2008. I went to the conference because I wanted an answer to what seems to me the most difficult question of all: how do you make your economy work when it isn't growing anymore? I really got along with the people at the conference because we shared the same vision of a world not about productivism, output or consumption but about quality of life, the social world, and creativity. But one thing I did not find at the conference was a structured, possibly even conventional, way of looking at the economy and how it functions. To my knowledge, the majority vision within the degrowth community is that we have to throw economics away because it has corrupted our imaginary and bounded our thinking through institutionalised rationality.

Though I have some sympathy for that view, to make any progress, we have to understand and reform existing economic institutions. That's a profoundly economic task and a constructed task. It has its eyes on this vision of a beautiful landscape in which we are freed from the bounds of consumerism and capitalism, but it actually looks to build the alternative structures that will take us from here to there without sliding into dystopia.

**Giorgos Kallis**: The creative aspect of the degrowth community is this contradictory tension between a radical critique of economic reasoning and at the same time a willingness to engage with economic models and propose policies. In my latest book, *Degrowth*, I try to do both. There is plenty of utopian thinking about what a degrowth world could look like and the flaws of economic reasoning, but I also put forward concrete proposals such as working-time reduction. I am inspired here by André Gorz who balanced both, writing the *Critique of Economic Reason* while also advocating working-time reduction through the use of economic arguments.

I am equally fine with using the term 'without growth' rather than degrowth, depending on the context. When <u>Research & Degrowth wrote an op-ed presenting 10 policy proposals</u> for the 2015 Spanish elections, we did not use the phrase 'degrowth' but talked instead of prospering without growth though we presented much the same policies. Politically speaking, the first step is to break with the idea that a winning political agenda must include economic growth. 'Prosperity without growth' helps in that. But analytically, the term degrowth is more consistent. If we take the common premise of ecological economics that the economy is material, then I cannot see how we can maintain that an ecologically sustainable economy, decarbonised and which uses fewer materials, wouldn't also be much smaller.

I understand, to a certain extent, the tactical approach of not using the term degrowth but the numbers don't square. Furthermore, what the term degrowth does is show that there is a conflict. If by 'without growth', we understand that we can implement the right policies for sustainability and just wait and see what happens to growth, then this will not be enough. We have to combat the ideology of growth; it won't disappear just by ignoring it.

#### Riccardo Mastini: Tim, would you agree that in some form degrowth is necessary?

**Tim Jackson**: I don't suggest that we should head towards some steady zero-growth economy. In the poorest parts of the world, there will need to be growth and that means that in others there will need to be contraction. The main difference I have with, at least part of, the degrowth community is that while I want to throw away growth-based economics, I do not want to throw away economic thinking. I have some sympathy with the critique that says our entire world and language has been captured by economics, but I don't see how we can escape from that because we face what is essentially an economic challenge.

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**Giorgos Kallis**: We should not throw away economics, but there are certain traps that lie within economistic thought. Accepting the Western idea that certain human development standards are superior regardless of the cultural context is one risk. I would agree with Tim that back at the First International Degrowth Conference in 2008 a wholesale rejection of economics might have been prevalent among some people there, but this is not the case anymore. Our conferences are now much bigger and more diverse. Some people focus on economic modelling, while others on philosophy and discourse. Of course, not everyone agrees with one another – some might think that economic models are reproducing the dominant way of thinking, others that they are useful for thinking practically about how to manage without growth. The important thing is that the degrowth community is not closing itself up or keeping economics, or any other discipline for that matter, out.

#### Riccardo Mastini: What about capitalism? Can capitalism accommodate the end of growth?

**Giorgos Kallis**: Growth is necessary for the stability of capitalism, but that doesn't mean you cannot have capitalism without growth. It would just be an ugly capitalism. Without growth, you are left with a shrinking pie to redistribute. Under capitalism, this redistribution will most likely be in favour of those with more power. Stagnation under capitalism leads to exploding debt, and in the end austerity to protect profit, as in Greece.

At the same time, I'm not the type of socialist who makes an abstract argument that first we have to get rid of capitalism for something better to appear. We need to make clear proposals and pursue and push reforms starting from where we are now. But sure, if all the reforms people like us propose were to be implemented, a system that could accommodate such reforms would not be capitalist in any meaningful sense of the term.

#### Riccardo Mastini: Can you imagine a prosperous, sustainable, just and yet still capitalist future?

**Tim Jackson**: Capitalism is about ownership. In our current form of capitalism, ownership is unevenly distributed. When combined with the pursuit of profit as a motive, it creates expansionary tendencies, with all their associated environmental damage, and rising inequalities. If you define capitalism as simply expansion, which we know will ultimately destroy the planet, then yes, of course, we have to do away with it. But I think the real question is about social inequality. Can the capitalist model, particularly in a contracting economy or one at a slower rate of growth, redistribute to allow for an equitable and sustainable future? At the moment the institutions of capitalism are fundamentally opposed to that. The distribution of assets is skewed. The politics of ownership is skewed. The rights of workers are given less importance than the rights of the owners of capital. If things stay so skewed then it is clear that we cannot achieve both an equitable society and a declining economy.

How much would capitalism have to change? You certainly have to change the pattern of ownership and have more distribution and workers' rights. The rule of thumb that says that wage growth goes with labour productivity growth would have to go because we may not have labour productivity growth anymore. It would represent a fundamental change in the social contract as circumscribed over the last 40 years by a particular form of capitalism. That form of capitalism would have to go.



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Tim Jackson is a British ecological economist and professor of sustainable development at the University of Surrey. He is also the director of the Centre for the Understanding of Sustainable Prosperity (CUSP). His books include *Prosperity Without Growth* (2009 and 2017) and *Material Concerns* (1996).

Published November 9, 2018 Article in English Translation available in Finnish, Dutch Published in the *Green European Journal* Downloaded from <u>https://www.greeneuropeanjournal.eu/beyond-the-choke-hold-of-growth-post-growth-or-radicaldegrowth/</u>

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