

7 Life on the treadmill

How shopping has become both therapy and religion – and how advertising has taken us deeper into a world built on consumerism and waste. Where once we dreamed that technology would liberate us from work, those in work are having to work harder and longer to afford the latest ‘stuff’ while rates of unemployment rise. Sharing out the available work more equally could represent a way forward.

‘I’m all lost in the supermarket; I can no longer shop happily. I came in here for the special offer, guaranteed personality.’

The Clash

The Friday following the national Thanksgiving holiday in the United States is a day of intense contemplation and ritual. More than 300 million Americans rise in the pre-dawn hours, groggy from too much food and drink, slide into their cars and hit the road, ready to partake in a mass communal ceremony.

They’re going shopping.

It’s ‘Black Friday’, the biggest sales day of the year for US retailers. (It’s called ‘black’ Friday because sales that day are said to put retailers’ accounts into the ‘black’ for the rest of the year.) Store managers prepare weeks in advance, training employees for the invasion. Shoppers queue in the middle of the night in anticipation of cut-rate bargains. Some pitch tents. Parking lots are jammed. The competition for sale-priced goods is so intense that fights frequently break out. According to 2012 press reports, one shopper at a Kmart in Sacramento, California, threatened to stab people while waiting in line for the doors to open. In Los Angeles, police helicopters hovered above malls while officers on bikes and horses patrolled the pavements.

In San Antonio, Texas, a queue jumper hid behind a refrigerator after a fellow shopper pulled a gun on him. The previous year, a Michigan woman looking to snag discounted video games zapped her competitors with pepper spray, sending dozens to hospital. The US National Retail Federation estimates that shoppers in 2012 spent an average of \$423 each on Black Friday while total spending for the four-day Thanksgiving weekend topped \$59 billion, up 13 per cent from the previous year.¹

Black Friday is a frenzied explosion of consumer culture. But it’s unique only in that it’s a concentrated burst of buying designed by merchants to focus and stimulate sales over a few days. For most people today, consumerism is a 365-day event. No matter where we go, we are met with advertisements and sales pitches. Risqué lingerie ads cover the side of public buses, cinemas assault you with 10 minutes of ads before the film starts, pop-ups litter your computer screen and telemarketers clog the phone lines. The jerseys of professional footballers are festooned with corporate logos. Even the space above the urinal in the local pub is fair game. It is almost impossible to escape the siren call of commerce. But it hasn’t always been that way.

Before the era of mass production, people were employed to produce the goods and services that the public needed. But the modern industrial process has changed that forever. Today things are topsy-turvy. The global economy produces way too much stuff, not because we need it but because we need to sell it. A lot of what is produced for the consumer market is unnecessary and much of it useless. Our closets are crammed with clothes; our basements, garages and attics are jammed with junk we can’t remember why we bought in the first place. We go on churning out mountains of stuff because it’s good for growth and people need jobs. We need to keep buying things to keep the economy moving. But in the process we’re trashing

the planet, burning through tons of non-renewable resources, destroying the last vestiges of wilderness and knowingly altering the earth's climate. Growth has become our faith and consumerism our credo.

The illusion of consumer power

But does consumerism spur growth or does the economic system's built-in need for growth drive consumerism? Mainstream economists believe that consumers are 'sovereign' in the marketplace. In other words, our wants, needs and greed are what shape production. Business simply responds to our demands. It follows that if consumers really are 'sovereign' then we have the power to change our behavior if we know it's causing problems. This is the thinking behind 'green consumerism'. If we buy only things whose making won't harm the planet - 'green' eco-friendly products - then business will respond to these 'market signals' and reshape the production process to build a sustainable world.

Unfortunately, it is not so easy. There's no evidence that simply changing buying habits will de-rail the growth machine. Of course, developing an eco-conscience is laudable and choosing to 'buy green' is an important personal commitment to change. But the global market is just too big and too complex for individual buying decisions to make much of an impact.

The influential liberal economist John Kenneth Galbraith called the idea of consumer sovereignty an 'innocent fraud' masking the economic power of all-powerful private corporations who really control the market. Galbraith, who first examined modern consumer culture in his 1958 book, *The Affluent Society*, concluded that production drives consumption, not the other way round. Advertising creates the 'craving for more elegant automobiles, more exotic food, more erotic clothing, more elaborate

entertainment' and 'production only fills a void that it has itself created'.² Today, advertising is a billion-dollar worldwide industry. We'll take a closer look inside that world in a moment. But first let's explore Galbraith's idea that 'production only fills a void that it has itself created'.

As we discovered in Chapter 5, the relentless drive for profits and growth is built into modern industrial economies. Both are fundamental to the system's success. As one wag put it: 'Capitalism is like a bicycle; when you stop peddling, it falls over.' Competition fuels a continuous drive for efficiency, which in turn boosts production (often to the point of excess). Reduced costs lead to higher margins and increased profits. But in a fundamental sense the system is too efficient for its own good, producing more goods than the market can handle. High levels of consumption are needed to keep the bicycle upright; otherwise the thing may wobble and crash, with dire consequences. This was glaringly evident by the early 1920s, when factories were able to produce vastly more than people could buy. Galbraith argued that, like growth and profits, consumerism is also woven into the fabric of industrial production. Faced with bulging inventories, there is no alternative but to convince people to buy more stuff.

Luckily, a solution was at hand: advertising. As the sociologist, Stuart Ewen, points out in his 1976 classic, *Captains of Consciousness, Advertising and the Social Roots of Consumer Culture*, when Henry Ford introduced 'assembly-line production' in 1910 at his plant in Highland Park, Michigan, it took 12 hours and 22 minutes to assemble one automobile. By the spring of 1914, the plant was churning out 1,000 vehicles a day and it took workers just an hour and 33 minutes to assemble one car. Between 1860 and 1920, new technology resulted in massive increases in productivity. US industrial output increased by a factor

of 12. Population also boomed; in fact it tripled but, even so, it was impossible for the market to absorb the sudden glut of mass-produced goods. So, writes Ewen, 'it became imperative to invest the laborer with a financial power and psychic desire to consume'. Ewen goes further, emphasizing how advertising and the invention of consumer credit ('buying on the instalment plan') not only boosted sales but also shifted the focus of worker discontent from the 'sphere of production' to the 'sphere of consumption'. Class conflict was redirected from the shop floor to the marketplace, where tensions were dissolved through a 'democracy of goods'.

The explosion of advertising

In his book, *Advertising the American Dream*, the historian Roland Marchand suggests that the goal of early advertising was the flattening of class differences. The explicit message was that everyone could aspire to material possessions that were once available only to the rich. It didn't matter if you were gentry, *nouveau riche* or a working stiff – you could drink the same coffee, use the same laundry detergent, brush with the same toothpaste or sleep on the same mattress. That was the beauty of mass production. 'The social message of the parable of the Democracy of Goods was clear,' writes Marchand. 'Antagonistic envy of the rich was unseemly; programs to redistribute wealth were unnecessary. The best things in life were already available to all at reasonable prices... Incessantly and enticingly repeated, advertising visions of fellowship in a Democracy of Goods encouraged Americans to look to similarities in consumption styles rather than to political power or control of wealth for evidence of significant equality.'

The modern advertising industry exploded in the 1920s as mass production spread. Business needed to convince people to buy more and advertising was

the key, playing on human insecurities, fears and desires. Writer Vance Packard referred to advertisers as 'merchants of discontent' who offered people status, happiness and fulfilment through consumption. In his 1957 book, *The Hidden Persuaders*, Packard revealed how advertisers exploited the weaknesses of the human psyche, selling not just products but brands and 'brand personalities'. Today, advertising is more sophisticated and even more ubiquitous. Market researchers slice and dice reams of esoteric data to determine how to entice buyers to open their wallets. And our new 24/7 digital world is a goldmine: cellphones, credit cards and computers leave a trail of readily available information. Analysts can track a person's buying patterns and behavior (known as 'history sniffing' and 'behavior sniffing' according to ex-ad exec Martin Lindstrom) and then use that information to figure out what other things to sell you.

Children are an especially important market. They are targeted early in the belief that habits learned at a young age will last a lifetime. In the US alone, advertising aimed at kids is worth more than \$12 billion a year.³ Next time you walk down the aisle of your local supermarket, take a look at the products shelved at the eye level of a six-year-old. No wonder the average American child can recognize more than 100 brands by the age of three and more than 300 by the time they are 10.

But it's not just children, of course. All of us are targets. The main goal of advertising is to nurture acquisitive urges, to plant a desire for more: possessions,

A \$500-billion business

The global ad business was worth more than \$500 billion in 2012. TV was the top draw with more than 40 per cent of all ad revenue, while internet ad sales continued to boom. The US is the biggest advertising market, with 2012 spending of around \$166 billion.⁴ ■

An advertising desert

There is something unusual about Havana. You sense it when you first arrive, though it's hard to put your finger on it. Cuba's grand but crumbling old capital is a jewel. The faded colonial architecture in the city center is glorious. T-shirt-clad tourists wander the busy streets. Lumbering taxis, made-in-Detroit relics from the 1950s, cruise for business while locals crowd into ugly *camelos*, articulated buses belching diesel fumes. Street vendors hawk their wares; laughing schoolkids in crisp uniforms joust and tease. It all seems normal and then it hits you: most shop windows are empty. But it's not the shortage of consumer goods that's odd. It's the fact that there is no commercial advertising. Yes, there are propaganda posters of Che, Fidel Castro and other revolutionary heroes. But there are no billboards, no posters and no gaudy neon signs selling soft drinks, cell-phones, cosmetics or cars. It's an advertising desert – refreshing but also unworldly, kind of like stepping onto another planet. Cuba has its share of problems – a shortage of basic consumer products is one of them. But it must be one of the last places on Earth not inundated by the ubiquitous urgings of corporate culture to buy more stuff. ■

beauty, happiness, sex, acceptance, love. Advertisers promise all these things. But it is a one-way conversation that clogs all media: radio, TV, film, newspapers, magazines, billboards, flyers and online via mobile phones, tablets and laptops. We see and hear advertising messages thousands of times a day. But we are passive recipients. There is nowhere to hide, nowhere to run.

We have become so habituated to the siren call of commerce that it has receded to background noise, yet the messages still hammer away at our psyche. Gradually, marketing noise and the clamor of buy-and-sell have penetrated our communities, our politics and our public spaces (including the airwaves). The sophisticated psychological techniques advertisers use to sell deodorant, cars and beer are now widely used to sell politicians. Like the marketing of consumer goods, the selling of politicians is more about feelings and emotions than ideas or policies. We vote for them because they seem 'honest' or 'trustworthy' or 'tough-minded'. Politicians are packaged as celebrities

or performers and sold for their invented personalities. Media critics refer to this as the 'colonization of consciousness', where the steady drumbeat of the sales pitch warps our worldview.

As much as we would like to think we are immune to advertising, we are not. Once marketing messages enter your brain you cannot erase them. According to culture critic and former advertising executive Jerry Mander: 'Images ride a freeway into your brain and remain there permanently. No thought is involved. Every advertiser knows this. As a viewer, you may sometimes say, "I don't believe this," but the image remains anyway.'

Much of this saturation happens via television. Here's how Mander sums up the impact of TV advertising in the US, noting that the situation in the rest of the industrialized world is little different:

According to the Nielsen Company... 99 per cent of American homes have television sets and 95 per cent of the population watches at least some television every day. Two-thirds of US homes have three or more sets, arranged for separate, private viewing. The average home has a TV playing for about seven hours per day, even when no-one is watching. While the average adult watches about five hours per day, the average child aged two to eleven watches nearly four hours per day. The average adult over age sixty-five watches about seven hours per day...

The average television viewer watching television for four-plus hours per day is hit with about 25,000 commercials per year, and by age 65, that number exceeds two million. That would be 25,000 annual repetitions of basically the same message: You will be happier if you buy something.⁵

Advertising manipulates and seduces. But those dreams may soon turn to nightmares. Many of the

must-have items that we buy as symbols of the good life are designed to have a short shelf life. Toys, kitchen appliances and sporting goods soon fall apart, wind up in the nearest landfill and need to be replaced, all of which boosts growth. This is what business analysts call 'planned obsolescence' – goods are designed to wear out. The global computer firm, Apple, recently came under fire in Brazil for alleged planned obsolescence. The Institute of Politics and Law (IBDI) launched a legal battle against the company, claiming it could have included all the tech upgrades from its iPad 4 when it launched the third-generation iPad just seven months earlier. Lawyer Sergio Palomares told Brazil's *Jornal do Comércio*, 'Consumers thought [they were] buying high-end equipment, not knowing [it] was already an obsolete version.'⁶

More familiar to most of us is 'perceived obsolescence' – when we're convinced that our possessions are just not up to par any more, even if they're not worn out or broken. Things quickly pop in and out of fashion. A TV or laptop computer more than a few years old is clunky and dated. Last year's jeans seem old-fashioned. Passenger cars can now run efficiently for a decade or more. Yet manufacturers release new models every year, constantly tweaking the design to make older models seem dowdy and tired. The wheel of production and consumption keeps spinning, heedless of the enormous economic, environmental and social costs.

Damage to community

It's no coincidence that the rise of consumer culture has mirrored significant social shifts over the past century. In the West, especially, age-old bonds of community have become tattered and frayed as a result of massive economic and cultural upheaval. The notion of 'the public' as a shared community of mutual support has been supplanted by a rough-hewn individualism where

people look to their own interests first. Much of what was once public life has become privatized. Technology has revolutionized transport and communications so that the world has literally become the 'global village' that Canadian media analyst Marshall McLuhan predicted half a century ago. We can hop on a plane and be on the other side of the world in a matter of hours. We talk to friends or work colleagues in Europe or Asia as if they were next door. But the glue that once held us together has weakened. Families are torn apart when children work hundreds or thousands of miles away. Traditional religious institutions, once a focus of family and community life, have lost their cohesive force as secularism gains ground. We spend long hours commuting in automobiles, cocooned from our fellow travelers. And when we're not in our cars we spend more and more of our time staring at computer and television screens, at work and at home for entertainment. The spread of car-dependent suburbs and 'edge cities' has left people physically isolated and disconnected from age-old forms of community. The traditional city model of urban density has morphed into an extended plane of uniformity interrupted by strip malls and six-lane commuter speedways. Giant shopping complexes flanked by vast parking lots function as 'town centers'.

The US sociologist Robert D Puttman, in his book *Bowling Alone*, outlines what he calls the erosion of 'social capital' in post-War America. He does not extend his analysis to the rest of the industrialized world but it's clear that these same modernizing tendencies are at work in Europe and elsewhere. The notion of 'social capital' was raised in the last chapter when we looked at how traditional methods of measuring the market economy (such as GDP) ignore substantial parts of our economic life. Puttman uses the term in much the same way – as a phrase that captures those multi-layered relationships woven

from friendship, collegiality and community that both root us and satisfy fundamental human needs for connection and meaning. To a large extent, this loss of social capital has been replaced by a 'culture of consumerism' where people replace their hunger for social relationships with commodity relationships. The market expands to fill the void.

Karl Marx explored this in the first volume of his classic treatise, *Capital*, where he introduced the term 'commodity fetishism' to describe the separation of goods from the process of producing them. 'The wealth of societies in which the capitalist mode of production prevails appears as an immense collection of commodities,' he wrote. Marx believed that in a capitalist economy commodities took on a life of their own, imbued with symbolic meaning. This 'fetishism', he said, disguised the true function of commodity production, elevating 'exchange value' above 'use value'. For Marx this preoccupation with things was a diversion from the real problem – the fundamental gap in power and wealth between the capitalist and the worker. Today's fixation on consumer culture would for him be a logical extension of this fetishism.

Nearly a century later the German-American philosopher, Herbert Marcuse, drew on Marx for inspiration in his influential 1964 book, *One Dimensional Man*:

We are again confronted with one of the most vexing aspects of advanced industrial civilization: the rational character of its irrationality. Its productivity and efficiency, its capacity to increase and spread comforts, to turn waste into need, and destruction into construction, the extent to which this civilization transforms the object world into an extension of man's mind and body makes the very notion of alienation questionable. The people recognize themselves in their commodities;

they find their soul in their automobile, hi-fi set, split-level home, kitchen equipment. The very mechanism which ties the individual to his society has changed, and social control is anchored in the new needs which it has produced.

Is it any wonder then that shopping has become a central preoccupation of modern life? It is so pervasive that millions of people shop for entertainment or simply to make themselves feel better, a process psychologists call 'retail therapy'. A recent survey by a major Canadian bank found that 59 per cent of Canadians are impulse shoppers who hit the malls 'to cheer themselves up'. As the saying goes, 'When the going gets tough, the tough go shopping'. On average, Canadian shoppers spend \$310 a month on things they want, but don't need – and most of them later regret it. Researchers have found that this kind of binge shopping produces a quick shot of pleasure that quickly fades into guilt, shame and disappointment. And then there are the practical concerns. A third of shoppers use credit to finance their purchases and many end up in debt as a result. Total household debt across the West has ballooned in the past 30 years to previously unimaginable levels. In Canada, for example, the debt-to-income ratio topped 165 per cent in early 2013, just 10 points below the peak reached in the US prior to the 2008 housing crash.⁷ (The collapse of the housing market increased household debt. Without work people were unable to keep up with mortgage payments even as the market value of their property tumbled. Tens of thousands lost their homes while others wound up in a position of 'negative equity' where the amount owing on the mortgage was greater than the market value of the house.)

The irony is that while powerful financial markets fret about 'wasteful' public spending and 'dangerous' levels of private debt, economic growth itself depends

on credit. Debt provides both the means and the motive for economic expansion. 'Spend, spend, spend' is the mantra we hear whenever the economy goes slack. We are urged to spend lavishly at every turn. Big banks and major retailers flog credit cards and low-interest credit lines with abandon. When markets collapse and demand slumps, consumers are urged to open their wallets to boost growth. It's a little like the *Goldilocks* fairy tale where the perfect porridge is neither 'too hot nor too cold'. Too much debt clogs the system and too little brings it to a halt. The logic is perverse and can lead to what economists call 'adverse feedback loops'. If families put aside money to pay down debt this will help the household budget. But in the wider economy it can actually make things worse by squeezing overall demand for goods. Output falls, which means that fewer workers are needed to produce those goods. That leads to more unemployment and even less market demand. That in turn forces more people to try to reduce their debt load. It's a familiar downward spiral.

It's at this point that governments typically intervene to provide fiscal stimulus to kick start the economy and get people back to work. This is the familiar Keynesian approach of 'pump priming' via deficit-financed government spending that we saw after the crisis of 2008. As long as lawmakers were allowed to spend public funds on new infrastructure, this tack was successful. An all-out economic collapse was avoided and new jobs were created. Even so, billions in stimulus spending was not enough to soak up the surplus labor. Many of the jobs that have been created are part-time and poorly paid. Young people, especially, are unable to find satisfying work at a decent wage. Recent moves in the European Union have made things worse. The new orthodoxy of austerity has seen governments slash spending and cut social services while thousands of public-sector workers have been laid off, bleeding

even more demand from the system. A report by the International Labour Organization (ILO) notes there are nearly 200 million unemployed worldwide and another 40 million who have given up hope of finding a job. 'The youth unemployment rate,' the report continues, 'is expected to increase to 12.9 per cent by 2017; some 35 per cent of all young unemployed have been out of a job for six months or longer in advanced economies, up from 28.5 per cent in 2007.'⁸

Too little work – and too much

Joblessness is more than just a lack of income. It also blocks the path to community participation, social purpose and self-respect. Yet modern working life is highly schizophrenic. Millions of people work punishingly long hours, 50 hours a week and more, while others have no paid employment at all. For countless employees, the digital revolution has created a workplace without walls. People can analyze spreadsheets, send text messages or answer email from anywhere. The ILO estimates that 22 per cent of the global labor force now works more than 48 hours a week. In the century from 1900 to 2000, average working hours in developed countries fell dramatically, from nearly 3,000 hours a year to under 1,800 – largely due to pressure from the trade-union movement. But in the past decade this trend has begun to reverse. The average working week is creeping upwards in many countries. According to journalist Madeleine Bunting, the number of people in Britain working more than 48 hours has more than doubled since 1998, from 10 per cent to 26 per cent, and one in six workers there clocks more than 60 hours a week.⁹ The average working week in Canada is also rising. Two-thirds of workers put in more than 45 hours a week – a 50-per-cent hike over the past 20 years. And despite the buzz about telecommuting and working at home, employers are actually more rigid. Flexitime

work arrangements dropped by a third from 2002 to 2012. Leisure time has also plummeted, while just 23 per cent of working Canadians are highly satisfied with life – half as many as in 1991.¹⁰

It wasn't supposed to be like this. John Maynard Keynes himself once mused that his grandchildren would have the luxury of living in a society where people worked only 15 hours a week. In his 1930 essay, *Economic Possibilities for our Grandchildren*, he wrote: 'We shall endeavor to spread the bread thin on the butter – to make what work there is still to be done to be as widely shared as possible. Three-hour shifts or a 15-hour week may put off the problem for a great while.' Within a hundred years, Keynes predicted, the 'economic problem' would be solved. The standard of living in 'progressive countries' would be between four and eight times higher. And he added: 'In our own lifetimes... we may be able to perform all the operations of agriculture, mining, and manufacture with a quarter of the human effort to which we have been accustomed.'

The promise of labor-saving technology was to release workers from drudgery and servitude – which would then allow a blossoming of creativity, arts and culture. The reality is that technological improvements have put more pressure on people and on the planet. In our current economic model, advances in technology make it possible to produce more goods with less labor. That makes products cheaper so consumers have more disposable income to spend on more stuff. But since fewer workers are needed in the production process, unemployment is the result. In order to keep people working or to boost the number of jobs, economic growth must increase, production must increase and consumption must increase. Growth becomes an endless cycle: efficiency destroys jobs, GDP growth creates them. This might be a trade-off worth making if the capacity of the earth to absorb our waste and

provide us with new resources was limitless. But, as we've seen in previous chapters, this is no longer the case. We have run out of room.

There are alternative ways of distributing the benefits of efficiency that could put the brakes on growth and build social capital. At the moment the flipside of increased productivity is increased unemployment – we desperately need growth to create jobs for new and displaced workers. But why not redistribute efficiency savings? If work and wages were shared more equitably, the need for growth to provide new jobs would not be so urgent. More people would work fewer hours but still earn a reasonable income. The social and environmental benefits could be considerable.

Like Galbraith, the French philosopher and radical thinker, Andre Gorz, saw technology as a potential force for liberation. In his 1980 book, *Farewell to the Working Class*, Gorz argued that the computer revolution would fundamentally redefine the nature of work to create a new post-industrial world structured along completely different lines. Leisure time would increase and the impact of human production and consumption on the environment would lessen. But Gorz was not naïve. He understood that this 'pathway to paradise' (the title of his next book in 1984) could only emerge through a new 'politics of time' where all could share equally in the benefits of increasing productivity. He stressed the need for 'self-actualization' and the right to 'autonomous production' where ordinary workers would be freed to pursue their own interests. Gorz was a utopian but his ideas did bear some fruit. Trade unions in both France and Germany picked up on many of his main concerns and in the 1980s they began to bargain for a shorter working week as a way of creating more jobs and providing more leisure time for their members.

In February 2000, France adopted a 35-hour

working week with the slogan: 'Work less, live more.' Though credited with the creation of 350,000 jobs over the first decade of its operation, the law has been under attack ever since. The political Right sees it as an infringement of the individual rights of both employers and employees. And competition from low-wage zones beyond France's borders hasn't helped. The pressure of globalization leads to a continual ratcheting down of labor standards and wages, in what trade unions call a 'race to the bottom'. Workers from one country are played off against workers from another. To remain 'competitive', employers insist on longer hours, often at the same rate of pay. In July 2004, employees at car-parts manufacturer Robert Bosch gave up a 35-hour week in return for a promise that 300 jobs would not be exported to the Czech Republic. 'Everyone had come to accept the fatality of it,' Serge Truscillo, a Bosch employee and union leader at the plant, told *Time* magazine, 'either they approved it or they lost their jobs.' That same summer, workers at two Siemens factories in Germany agreed to increase their working week from 35 to 40 hours with no extra pay to stop 2,000 jobs from disappearing to Hungary.¹¹

Proponents of a shorter working week point to

Average annual work time in hours (2011)

Korea	2,193	Ireland	1,664
Greece	2,109	United Kingdom	1,647
Chile	2,068	France	1,554
Italy	1,778	Germany	1,419
United States	1,778	Norway	1,414
Canada	1,702	Netherlands	1,379
Australia	1,686		

Source: OECD (2012), Average annual working time, *Employment and Labour Markets: Key Tables from OECD*, No. 8

the potential benefits. With more free time, people would have scope to take up hobbies, to exercise, to read and study, to enjoy family life and participate in community activities. Sharing work could also reduce unemployment and, consequently, poverty. But the 'over-employed' would benefit too: as working hours decreased, so would stress, stress-related illnesses and the costs of treating those illnesses. Studies show that people who work long hours in high-energy, fast-paced jobs are more prone to anxiety, depression and other mental-health concerns. The introduction of shorter hours would also have an immediate impact on the environment. Research by the Washington-based Center for Economic and Policy Research found a direct link between environmental footprint and the number of hours worked per year. The study showed that if Americans worked the same number of hours as Europeans (a reduction of about 300 hours a year) their carbon output would drop by 20-30 per cent. In another case, when the US state of Utah mandated a four-day working week for state employees after the 2008 recession, carbon emissions fell by 4,535 tonnes a year. At the same time public vehicles were driven three million fewer miles, which cut fuel consumption by 744,000 gallons and saved \$1.4 million.¹²

Other countries have also taken up the torch for reduced work hours. The Netherlands now has the shortest working week in Europe. In the early 1980s, Dutch trade unions shifted gears, trading pay increases for less work. Public-sector unions took the lead – in the early 1990s they began hiring new staff on 80-per-cent contracts. Today, job-sharing is widespread, especially in health and education. Nearly a third of all Dutch citizens work part-time, though the figure is higher for women than men. Sixty per cent of working women had part-time employment in 2001; that number has since risen to 75 per cent. A third of Dutch men either work part-time or squeeze the

same hours into fewer days. Reduced working hours are supported by Holland's generous social programs, which allow one (combined) full-time income to support a family. The rise of the four-day week has led to a new phrase – 'Papadag' or 'Daddy day', when working fathers take a day off to be with their kids. Dutch MP and former news anchor Pia Dijkstra says: 'Our part-time experience has taught us that you can organize work in a rhythm other than nine-to-five. The next generation is turning our part-time culture from a weakness into a strength.'¹³

The Canadian economist Peter A Victor has confirmed that 'spreading employment among more of the labor force' could increase jobs. In his ground-breaking 2008 study, *Managing Without Growth*, Victor built a computer model of what might happen if Canada were to abandon economic growth, aiming for a 'steady state' bounded by strict environmental limits. Victor found that, with major policy changes in key areas, a no-growth economy could increase employment, lower poverty, reduce emissions of greenhouse gases and rein in government debt. Reduced working hours was key to this. 'If more people worked fewer hours, it should be possible to have full employment without relying so much on economic growth,' he wrote. His model for the Canadian economy showed that, 'assuming that labor productivity continues to rise modestly, a reduction in the average work year of around 15 per cent by 2035, to 1,500 hours, would secure full employment.'¹⁴

Britain's New Economic Foundation (NEF) also suggests that shorter working hours would usher in a better 'work-life balance'. The group's 2010 report, *21 Hours*, argues that a working week of just 21 hours could help reshape modern life, providing at least part of the answer to 'overwork, unemployment, over-consumption, high carbon emissions, low well-being, entrenched inequalities and the lack of time to live sustainably'. The report's co-author, Anna Coote,

adds that rewiring the work day would help tackle the rampant consumerism that threatens the planet. 'So many of us live to work, work to earn, and earn to consume,' Coote writes. 'Spending less time in paid work could help us to break this pattern. We'd have more time to be better parents, better citizens, better carers and better neighbors. And we could even become better employees: less stressed, more in control, happier in our jobs and more productive.'¹⁵ The NEF report underlines the environmental benefits of sharing paid work. A less fraught, slower pace would cut down on energy use and reduce carbon emissions. And because shared work would inevitably lead to more equal incomes, the health and social problems associated with inequality could eventually subside. NEF quotes from the Whitehall Studies, a series of surveys of the health of British civil servants which began in 1967 and continue today. The data show that both health and life expectancy are strongly influenced by a combination of stress and lack of control over work. 'People in jobs characterized by low control had higher rates of sickness absence, of mental illness, of heart disease and pain in the lower back.' And here's another thought: perhaps a more equal society would puncture personal anxieties and lessen the intense striving to consume more so as to demonstrate one's social worth.

The need to change direction

Of course, none of this will be a walk in the park. Any attempt to challenge the structure of working life lands us squarely in the wheelhouse of capitalism, where control over the labor process has always been contentious. Workers, pinched by rising costs, debt and job insecurity, are looking to hold on to work, not shed it. Business, too, will need some arm-twisting. Ever since Frederick Taylor launched the concept of 'scientific management' in the early 20th century,

employers have jealously guarded their right to dictate the content and flow of work, since both are essential to managing costs and, more critically, producing profits. Although trade unions have battled to wrest control away from managers and owners, progress has been piecemeal. As JM Keynes knew, profit and a certain amount of unemployment go hand in hand. Cutting costs by replacing labor with technology is seen by employers as their prerogative. And the unemployed

themselves can be used as a weapon to suppress the wages of those with jobs. It's hard to imagine private corporations ceding this control without major strictures on the use of investment capital, coupled with some kind of broad social contract.

The irony is that, while governments continue to tout economic growth as the route out of recession, in reality they have more or less abandoned the post-War goal of full employment. Mainstream economists now

Degrowth in action 1

Workers of the world – relax

We have come to see a 35-hour work week not only as normal but also as essential for a thriving society. But the Commissioner for Health with the UK Sustainable Development Commission begs to differ. Anna Coote argues that long work hours are linked to extreme gaps in wealth, environmental degradation, climate change and lots more.

As co-author of the New Economics Foundation report *21 Hours*, Coote proposes that a 21-hour working week should be the norm. It boils down to what we consider 'work': what labor we think is worth paying for. For example, if all the time spent in Britain on unpaid labor – raising children, cooking, household chores and so on – were paid at the minimum wage, it would account for 21 per cent of the country's GDP. 'Informal carers' who attend to the sick and the elderly without pay already 'save' the British economy \$125 million a year.

Halving the normal working week could help slash unemployment while reducing state benefits and other social costs. Providing more free time to workers would create space in their lives to exercise, play, sleep and – put simply – enjoy life. Studies consistently show that more leisure means more productivity to boot. Health costs from stress-related illness – one of the greatest burdens on developed nations – would plummet. And gender norms could even improve: men could take on more of what is considered 'women's work' – and fathers could spend increased time with their children.

Reducing unemployment and giving the overworked more free time makes intuitive sense. But on a global scale the math becomes truly interesting: reducing working hours could be one of the keys to solving climate change. On a country-by-country basis there is a direct correlation between the average number of working hours and per-capita greenhouse gas emissions

Frequently employees are extremely hostile – at first. 'Families are on a treadmill of consumerism that is hard to get off,' says Andrew Jackson, of the Canadian Labour Congress. 'But we have found that once people have

moved to shorter work weeks, they are reluctant to go back – they start to live their lives in a different way.'

Rather than see gains in material efficiency translate into higher consumption (or mass unemployment), we could use technological innovations and increases in efficiency to liberate us from labor.

This makes sense to John de Graaf, founder of the Take Back Your Time coalition. 'Our surveys consistently show that people are most dissatisfied with two things in their lives: time and financial security – not stuff,' he says.

The US coalition advocates that people reduce their working hours voluntarily. 'We have no laws regarding paid vacations and about half the workforce took less than one paid week off last year,' de Graaf says. He believes that the recession, combined with the ecological crisis and widespread unhappiness in wealthy countries – the subject of his film *Affluenza* – could lead to a dramatic paradigm shift in how we think about work.

For many of us, 'work' is inseparable from our sense of self-worth. Yet, says de Graaf, 'a lot of who we are has more to do with how we feel our talents contribute to our community and how valued we feel, rather than our ability to make lots of money.'

Wresting back a bit of control over both would go a long way. 'This not about slacking – this is about balance,' stresses de Graaf.

More time outdoors, more time to play musical instruments and rediscover our creativity, more time with our kids, fitter bodies, reading more, cleaner air, less worrying about the fate of the planet – what's not to like? Throw in less disparity between the rich and the poor, a more affordable standard of living and less corporate control over our time and we approach what some might be tempted to label utopia.

But how to achieve such a society?

'That is the million-dollar question,' says de Graaf. 'Other than educating people that this is about balance, nobody really has the answer yet. It will boil down to making the choice: time versus stuff.' ■

Adapted from an article by Zoe Cormier in New Internationalist, 434, Jul/Aug 2010.

claim that an 'official' seven-per-cent unemployment rate is an acceptable figure for 'full employment'. But even this is pretence: folding in the hidden jobless and the underemployed would inflate that number by a factor of three. Meanwhile, industrialized nations continue to pick away at the social safety net woven since the end of the Second World War. Rigid austerity policies target welfare, employment benefits, job security, pensions and healthcare. The British medical journal, *The Lancet*, notes that recent cuts to healthcare in Greece, Spain and Portugal have boosted 'suicides and infectious diseases' and led to 'widespread drug shortages'.¹⁶ For their part, corporations have no interest in hiring more workers, or sweetening the pot for existing workers, unless it's in their direct financial interest. In most cases they are fighting tooth and nail to suppress wages, slash benefits and pare jobs.

All this leaves us in a bind. If we want to fashion a truly sustainable world where humanity lives within Earth's natural limits the route is clear. We need to change direction – quickly. But to do that we are going to have to accept a much more radical approach. Even standard Keynesian prescriptions will not do the trick since, at the end of the day, the purpose of government stimulus is the same – to boost economic growth by expanding demand. And that is the source of our problem, not the solution.

Speaking of solutions, it's now time to turn our thoughts in that direction. We've seen clearly through the previous chapters that the arithmetic of growth no longer adds up. The accomplishments of humankind over the past 200 years have been nothing short of miraculous. And the Enlightenment ideal of unlimited progress, unconstrained by physical boundaries, has served us well, dramatically improving living standards and life expectancy around the world.

But these advancements have not been distributed

equally. Millions of people scrape by on a few dollars a day. Hunger and malnutrition are widespread. Poor sanitation and improper hygiene are still major killers. That is both a tragedy and a deep injustice. And it is especially stark since we have now run out of room. The logic of our old growth-dependent economic system no longer makes sense in a world of ballooning ecological debt and dwindling biodiversity. In the next chapter we'll look at where we go from here.

¹ Emily Jane Fox, 'Black Friday shopping hits a new record', [nin.tl/1ctyBvS](#)
² John Kenneth Galbraith, *The Affluent Society*, (40th anniversary edition), Houghton Mifflin, 1998. ³ 'Childhood Obesity', US Department of Health, [nin.tl/18m2Owb](#) ⁴ [nin.tl/1ctz8hl](#) ⁵ Jerry Mander, 'Privatization of consciousness', *Monthly Review*, Oct 2012. ⁶ Eric Slivka 'Apple Hit with Planned Obsolescence Lawsuit in Brazil over Fourth-Generation iPad', 21 Feb 2013, [macrumors.com](#) ⁷ 'Debt loads remain at record 165% Canadian per capita', *CBC News*, 15 Mar 2013. ⁸ 'Global Employment Trends 2013', International Labour Organization. ⁹ Audrey Gillan, 'Work until you drop: how the long-hours culture is killing us', *The Guardian*, 20 Aug 2005. ¹⁰ Josh O'Kane, 'Canada's work-life balance more off-kilter than ever', *Globe and Mail*, 25 Oct 2012. ¹¹ Charles P Wallace, 'Not Working', *Time Magazine*, 25 Jul 2004. ¹² Zoe Cormier, 'Workers of the world, relax', *New Internationalist* 434, Jul/Aug 2010. ¹³ Katrin Bennhold, 'Working (Part-Time) in the 21st Century', *New York Times*, 29 Dec 2010. ¹⁴ Peter A Victor, *Managing Without Growth*, Edward Elgar, 2008, and 'Questioning Economic Growth', *Nature*, Vol 468, 18 Nov 2010. ¹⁵ 'Shorter working week soon inevitable, forecasts nef', 13 Feb 2010, [neweconomics.org](#) ¹⁶ 'Financial crisis, austerity, and health in Europe', Marina Karanikolos et al, *The Lancet*, Vol 381, No 9874, 13 April 2013.

8 On the road to degrowth

The austerity programs of the present represent the death throes of the old growth-chasing model. The interest now is less in sustainability, an idea largely hijacked by big business, than in *décroissance* or degrowth, with initiatives inspired by this beginning to flower all over the world. Renewing our cultures and economies will involve re-evaluating all our assumptions and practices – but there really is no alternative.

'If I have seen further it is only by standing on the shoulders of giants.'

Isaac Newton

The great English mathematician, physicist and philosopher Isaac Newton was not a historian but he understood the past. We stand on the shoulders of giants, as he wrote. The world we know today owes much to those who have come before us. The dizzying advances in science, technology and engineering that we've witnessed over the past century have dramatically altered the shape and nature of human affairs. We no longer inhabit the world of our parents or our grandparents. The tools we use to communicate have morphed from quill pens to smartphones; our modes of travel have shifted from horseback to jet planes and private automobiles. The kind of work we do; whether we have enough to eat; how long we live; how healthy and comfortable are our lives; how we spend our leisure time; how we relate to our friends, family and community; the integrity of the natural world: all these aspects of life and many more have changed in profound and surprising ways. We are globalized and interconnected; yet we are riven by growing economic inequality and environmental calamity. We do not often stop to think about the depth of this monumental shift and what it implies for our collective human future.

There are few politicians, business leaders or intellectuals who have the courage or the leadership skills to challenge old orthodoxies. We stand on the shoulders of giants. But we rarely look down or ask how we got so far, so fast.

Some things are self-evident. We have created an economic system that is producing vast wealth for the few at the expense of the majority. The model is broken and the damage to people, communities and the natural world is accelerating. In the aftermath of the great financial meltdown of 2008 and the continuing instability of the global economy, there is urgent need – and a deep yearning – for balance and equity. The search for alternatives has never been more urgent. We face a calamitous future unless we as a global community can work out a gradual, peaceful transition to a new economic model.

At the moment we are offered two options to escape our economic paralysis, both firmly within the old paradigm. The first path is stimulus spending, the traditional Keynesian remedy of boosting demand by increasing government spending and, consequently, public debt. Keynesians argue that if the economy is collapsing and private investors are unwilling to invest because of 'uncertainties' in the market then governments have an obligation to intervene to save the system from itself. The main focus should be employment and social stability. Debt is merely a short-term problem that will disappear once growth resumes. Government coffers will fill as taxes pour into a revived economy. We saw this remedy in full force in the immediate aftermath of the 2008 crisis when governments around the globe pumped billions into new spending. The G20 nations alone earmarked more than \$2 trillion – about 1.4 per cent of global GDP. Amounts ranged from 1.5 per cent of GDP in Britain to 6 per cent in the US to over 12 per cent of GDP in China. Stimulus spending put money in people's pockets by cranking up social-welfare support and by creating

jobs. The global economy was spinning wildly out of control until governments moved to avert a crash.

But once in the clear it wasn't long before old habits reappeared and the 'deficit hawks' began to circle, fretting over 'unsustainable' government debt. Those responsible for the economic chaos – the big banks, mortgage dealers and finance titans whose reckless pursuit of double-digit returns inflated the real-estate bubble – were bailed out by public funds. Yet now they were calling the shots. Finance ministers, in thrall to this business elite, did an about face and zeroed in on government debt as the real roadblock to recovery. The theory was that investors would not get back into the growth game without a guarantee of stability and that meant one thing – balanced budgets and reduced debt. The common-sense parallel, often cited, was that governments are like households and that you can't spend more than you can earn without getting into trouble. Consequently, the way to reduce debt and rebuild market confidence was austerity, not stimulus. This policy of 'tough love' is now being played out across Europe, Britain and Canada, with Australia's new right-wing government also likely to sign on. And it is also the 'big stick' that Republicans in Washington wield to beat back attempts by the Obama administration to boost federal spending. Instead of providing stimulus, governments now aim to slash public spending and shrink the state.

The austerity dead end

These concerns dominate economic policy in G20 nations and across the OECD, even though there is zero proof that austerity leads to growth. Just the opposite: it appears both harsh and ineffective medicine, disturbingly similar to the 19th-century practice of bleeding a patient to cure disease. Liberal analysts like Nobel Prize-winning economist Paul Krugman have been hammering away at the austerity agenda for years, not only because it doesn't work but also because it

creates a lot of collateral damage in the process. In Europe, where austerity is in vogue, growth has completely stalled. The annual inflation rate in the Euro zone now hovers around one per cent while unemployment remains scandalously high. According to Krugman, long-term unemployment is now a permanent, 'corrosive' feature in most Western economies and austerity is only making things worse. You can't understand austerity, he says, without talking about class and inequality. 'The austerity agenda looks a lot like a simple expression of upper-class preferences, wrapped in a façade of academic rigor. What the top one per cent wants becomes what economic science says we must do.'¹

Hard truths: across the EU nearly 27 million people are jobless. In Greece, Spain and Portugal unemployment is the highest it's been since the Great Depression. Youth unemployment is at record levels: more than 60 per cent of young people in Greece and 56 per cent in Spain are unemployed with no signs of improvement. There is talk of a 'lost generation' in Spain and Greece. Thousands of young people are simply voting with their feet. The National Statistics Institute reports that 365,000 Spaniards between 16 and 29 left the country in the first three months of 2012.

Like the disastrous structural-adjustment programs imposed on dozens of developing nations in the 1980s and early 1990s, austerity is an attack on the poor in the name of debt repayment and economic restructuring. The prescription is similar: a reduced role for the state; privatization of public assets; labor-market 'flexibility' (a code word meaning reduced standards, benefits and protection for workers); a loosening of environmental regulations; and reduced spending on education, healthcare and social welfare. But, unlike the 1980s, it is not the IMF and the World Bank twisting the arms of distant developing nations. Today it's the so-called *troika* pulling the strings. The IMF is still involved. But the group imposing structural

adjustment also includes the European Union and the European Central Bank.

New research underlines the notion that social ills are rooted in inequality. Widening income gaps weaken society and make things worse for everyone, not just the poor. As mentioned in the last chapter, in their book, *The Spirit Level*, epidemiologists Richard Wilkinson and Kate Pickett compared data on health and social development across 23 countries and found that citizens in more equal societies almost always come out ahead.²

Equality is good for us. It fosters stronger, healthier, more democratic societies and helps build community. Yet inequality is growing almost everywhere and those in power refuse to do anything about it. All hope is placed in economic growth as the safety valve: inequality is excused as the price you pay for a dynamic system where everyone has the chance to be rich. Life is a gamble but you could be a winner! This is the prevailing myth that enables the system to keep going. Against reason, science and empirical evidence, the old orthodoxy holds firm. The 'invisible hand' of the market will sort things out. *Laissez-faire* is best. Economic growth will be our salvation, providing jobs and prosperity. Technology will save us.

Yet people feel there is something wrong, even if they can't quite identify the problem. Middle-class budgets are stretched while the number of billionaires grows. Young people can't find decent jobs or affordable housing; the gap between the one per cent and the rest of us is widening; social services are pared back while the welfare state is dismantled. In the US, where belief in the free market reigns supreme, the top one per cent saw income growth of 58 per cent between 1993 and 2010 while the income of everyone else rose by just 6.4 per cent. People have lost faith in big government, big banks, big business, Wall Street and the City of London. Describing the wrenching social upheaval of

his time, Karl Marx wrote: 'all that is solid melts into air'.³ This feeling of unease is rampant today.

The simple fact is that an economic and political system which does not deliver for the majority will not be sustainable in the long run. Cracks will inevitably appear. As we've seen in popular uprisings from the Arab Spring to the Occupy Movement to the anti-austerity demonstrations that exploded across Europe in 2012, eventually people lose faith in the *status quo* when it fails to deliver. The legitimacy of existing institutions and arrangements is challenged.

We know the market system does not operate smoothly. Periods of boom and bust are endemic, even predictable. Sometimes there is a mild downturn in the normal 'business cycle'; on other occasions there are more serious disruptions, a full-blown recession – or worse. Slow growth or no growth is a sign of failure. That's why, in the larger scheme of things, choosing between austerity and stimulus is a mug's game.

Neither path will take us to where we need to go. Sustainability is the goal. But what does the word really mean and how do we get there?

The emergence of sustainability as an idea

The concept of 'sustainability' first emerged three decades ago with the publication of *Our Common Future*, a 1987 report from the UN World Commission on Environment and Development, chaired by Norwegian prime minister Gro Harlem Brundtland. It became popularly known as the Brundtland Report and broke new ground, raising fundamental questions about the link between poverty, resource consumption and environmental decline. 'Poverty is a major cause and effect of global environmental problems,' the Report noted. 'It is therefore futile to attempt to deal with environmental problems without a broader perspective that encompasses the factors underlying world poverty and international inequality.'⁴

The Brundtland Report captured public and media attention with its emphasis on 'sustainable development', which it defined in a much-quoted phrase as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'. *Our Common Future* stands the test of time surprisingly well, especially in its analysis of the see-saw relationship between environmental decline and global prosperity. The Report's highlighting of the 'accelerating ecological interdependence among nations' was also prescient. 'Ecology and economy are becoming ever more interwoven locally, regionally, nationally, and globally into a seamless net of causes and effects,' the document noted. The Report's description of the symptoms of ecological stress is also eerily familiar: deforestation, urbanization, the loss of biodiversity, desertification, toxic waste, air and water pollution, groundwater depletion, even global warming, are all featured.

The heart of the problem, the Brundtland Report argued, was the nefarious tag team of global poverty and inequality. 'Developing countries must operate in a world in which the resources gap between most developing and industrial nations is widening; in which the industrial world dominates in the rule-making of some key international bodies; and in which the industrial world has already used much of the planet's ecological capital. This *inequality* is the planet's main "environmental" problem; it is also its main "development" problem... A world in which *poverty* is endemic will always be prone to ecological and other catastrophes.'

With that unswerving focus on social and economic justice, the document was a radical wake-up call. But in other ways the Brundtland Report was a product of its time, its core analysis firmly anchored in technological hubris and the notion that environmental limits could be managed by a combination of human ingenuity and common sense.

Our Common Future was relentlessly optimistic, predicting a 'new era of economic growth... based on policies that sustain and expand the environmental resource base'. There were no absolute limits the Report stated flatly, only 'limitations imposed by the present state of technology and social organization on environmental resources and by the ability of the biosphere to absorb the effects of human activities.' But technology and social organization can be 'managed and improved to make way for a new era of economic growth'.

Today, gazing out from the shoulders of giants, we know more. 'Managed growth' is no longer an option in a world bounded by absolute limits. To reach true sustainability we need to ask *not how to restart the growth machine, but how to live without it*. How can we construct a new economic model that meets our basic human needs without roasting the planet, exhausting our finite natural resources and jeopardizing the essential natural systems that support life on Earth?

The notion of boundless growth is so ingrained in our collective psyche that a *non-growing* economy is beyond comprehension for most people – the deluded chatter of eggheads and tree huggers. Yet the idea has appeared throughout the history of economic thought. More than two centuries ago, John Stuart Mill in his massive *Principles of Political Economy* embraced this notion and called it 'the stationary state'. Countering the claim that zero growth would translate into stagnation, poverty and unemployment, Mill argued that 'a stationary condition of capital and population implies no stationary state of human improvement'. Instead, he stressed, 'there would be as much scope as ever for all kinds of mental culture, and moral and social progress; as much room for improving the Art of Living and much more likelihood of its being improved, when minds cease to be engrossed by the art of getting on.'

We need to turn the old orthodoxy on its head. Luckily, a framework for building a new economy is emerging. Today no-growth advocates use the term 'steady state' rather than Mill's phrase 'stationary state'. Others claim zero growth is not enough. We must go even further and pursue 'degrowth' – not just flat lining but a systematic rewinding of growth in those countries where the costs already exceed the benefits. Degrowth advocates don't suggest going back to the 19th century but they do stress the need for rich countries to scale back both industrial production and material expectations *to clear the ecological space for*

Degrowth in action 2

Vive la décroissance!

Serge Latouche looks the part – a 70-something former professor from the Université de Paris Sud. But he doesn't sound like one. The grizzled economist is the force behind the French 'degrowth' movement and one of Europe's leading critics of economic growth and consumerism.

Latouche believes 'growth' is a term that obscures more than it reveals. 'If you take into account damage to the environment and public health, the results are usually negative. Yet when we measure gross domestic product (GDP), the pollution, diseases and deaths it causes are added to the plus side.'

Latouche was a late convert to the anti-growth camp. It wasn't until 2001 that he spoke for the first time of 'degrowth' – at a UNESCO conference in Paris, linking his critique of development to economic growth. He called for selective economic contraction to stop environmental decay, using the French word – *décroissance*.

'The English translation, "degrowth", pleased most of the audience, so I stuck with it,' Latouche recalls. 'But I would rather speak of "a-growth", much like we speak of "a-theism". Degrowth is only a catchword.'

Maybe – but in the years since the UNESCO conference, degrowth has become a hot idea in France. Even former French president Nicolas Sarkozy got the bug, asking Nobel-Prize-winning economists Joseph Stiglitz and Amartya Sen in 2008 to look into new ways of measuring prosperity without relying on GDP. The report was released as 'The Commission on the Measurement of Economic Performance and Social Progress'.

Two magazines, *La Décroissance* and *Entropia*, also spread the degrowth gospel in the country. And journalists like *Le Monde Diplomatique's* Hervé Kempf endorse the idea. Several farmer and consumer organizations rally

those who need it. They base their logic on simple mathematics and global justice. We cannot, in good conscience, continue on our current path of over-development while two-thirds of the world's population, mostly in the Global South, still lives at or below the poverty level. The poor majority has a moral claim to its rightful share of the Earth's resources. They urgently require economic growth – a living wage, housing, schools, hospitals, and basic infrastructure for sanitation and clean water – while we in the rich world must redefine what we mean by the good life. As ecological footprint data shows, we are already in a

behind the movement – from the French association for organic agriculture to 'locavores' – people who want to eat seasonal food from their own region.

But Latouche's influence goes beyond France's borders. In Italy, the monthly magazine *Carta* spreads his critique of development and economic growth. And the 'slow food' movement is also on the same page. In Spain, several university professors teach courses in degrowth. In the run-up to the December 2009 UN Climate Change Conference in Copenhagen, activists and grassroots environment networks formed Climate Justice Action (CJA), which aims to take 'the urgent actions needed to avoid catastrophic climate change', including embracing degrowth as an alternative. There have also been numerous international conferences on degrowth – Paris in 2008, Barcelona in 2010, Montreal and Venice in 2012. And degrowth is a strong current in the growing 'transition towns' movement.

Latouche believes that facts on the ground will turn the tide: 'The climate catastrophe has spawned wars for oil, for water and gold. We have more pandemics and a massive loss of species that are essential to environmental equilibrium.'

But it's not a slam dunk.

Despite Sarkozy's blue-ribbon panel on GDP, the number of working hours in France has been slowly increasing since 1997. Like the rest of Europe, the country sees growth as the only way to fight unemployment. So how to make Latouche's vision a reality?

'We have to change our values. We need to replace egoism with altruism, competition with co-operation and obsessive performance with leisure. But the problem is that values are systemic – they are both cause and effect. Without a radical questioning of the system, the value change will remain limited.' ■

Adapted from an article by Julio Godoy in New Internationalist 434, Jul/Aug 2010.

condition of 'overshoot', living beyond the carrying capacity of the planet, undercutting the essential ecosystems that support human life and biodiversity. With a global population of more than seven billion we consume the equivalent of 1.5 Earths. According to the Global Footprint Network, it takes the Earth 18 months to regenerate what we use in one year, a clear sign that we are losing the sustainability race. And with growth as our goal we are destined to fall further and further behind. By the 2030s, as we chew through what's left of our natural capital, we'll need more like two Earths to support us. You can see why degrowth advocates worry about the math.

Yet growth continues apace. As population and consumption expand across Asia, Africa and Latin America, the demand for food, energy and natural resources accelerates. It's clear we are sailing into uncharted seas. The Australian social scientist Ted Trainer argues that a conscious process of 'underdevelopment' of developing nations combined with 'overproduction' and 'overconsumption' in the rich world is a lethal mix. 'Levels of material affluence are far too high to be kept up for long or to spread to all of the world's people,' he writes. 'The magnitude of the overshoot requires enormous reductions that cannot be made within or by consumer-capitalist society.'⁵

The idea that we would deliberately stop or cut back economic growth is unfathomable to most people, especially those in power – politicians, investors, business leaders, media élites – who are heavily invested in the current set-up. Indeed, it may be naïve to assume that those whose welfare and worldview are so directly linked to the current model will stand up and denounce the system. It would be the equivalent of a nuclear engineer suggesting that nuclear power should be scrapped. The belief system is too all-enveloping even to imagine dissent. That is why traditional politicians on the Left or Right are unlikely to provide

leadership here. The Enlightenment notion that progress and increased prosperity will emerge from improved technology and the scientific method has been the driving force of the last two centuries. All but the Greens among political tendencies have endorsed this central idea, united in the belief that more is better, that the future is perfectible and that increasing material wealth is both our birthright and our duty. While poverty exists we need growth to fight it: to do otherwise would be amoral. As the pro-growth writer Daniel Ben-Ami has argued: 'as long as we are limited by scarcity we will not be able to flourish as a species.'⁶ The baleful irony is that we will neither flourish as a species, nor improve the lives of the poor majority, if we blithely destroy the basis of our future prosperity. Standing still or going backward falls outside the framework of contemporary political thought. Yet for the sake of our collective survival and the health of the

Degrowth: what is it?

'Sustainable degrowth is a downscaling of production and consumption that increases human well-being and enhances ecological conditions and equity on the planet. It calls for a future where societies live within their ecological means, with open, localized economies and resources more equally distributed through new forms of democratic institutions. Such societies will no longer have to 'grow or die'. Material accumulation will no longer hold a prime position in the population's cultural imagination.

'The primacy of efficiency will be substituted by a focus on sufficiency, and innovation will no longer focus on technology for technology's sake but will concentrate on new social and technical arrangements that will enable us to live convivially and frugally.

'Degrowth does not only challenge the centrality of GDP as an overarching policy objective but proposes a framework for transformation to a lower and sustainable level of production and consumption, a shrinking of the economic system to leave more space for human co-operation and ecosystems.' ■

From Research & Degrowth / Recherche & Décroissance (degrowth.org), an association of academics and researchers looking to raise public awareness and understanding of the concept of degrowth.

planet it is the only future that makes sense.

But what would a non-growing economy mean in practice? The Centre for the Advancement of the Steady State Economy (CASSE) is one of the key non-governmental organizations attempting to describe what this new economy would be like and how we can make the transition. CASSE is a big tent that brings together under one canvas many of the leading figures who challenge the conventional growth model. There are differences of detail in their analysis but they share one fundamental starting-point described at length in this *No Nonsense Guide*. We have exceeded the biophysical limits of the planet and in much of the world the costs of growth now outweigh the benefits. The result is that we are living on borrowed time, squandering finite natural capital while mortgaging the future. Despite the warning signs – from desertification to deforestation to climate change – we continue confidently down the same path.

According to CASSE, a steady state aims for 'a stable level of resource consumption and a stable population... where energy and resource use are reduced to the levels that are within ecological limits and where the goal of maximizing economic output is replaced by the goal of maximizing the quality of life.'⁷

Quality of life is really the nub of the issue – what Mill elegantly called the 'Art of Living'. Critics suggest that a steady-state economy will lead to joyless regimentation and enforced poverty. But this is a crass diversion. Economic activity will not come screeching to a halt. Instead the goal will be balance and equity, two things in short supply in our growth-oriented system. We will need to aim for a new 'economy of sufficiency' or what some have called a 'solidarity economy' – one based on co-operation rather than competition and defined by ecological limits. In other words an *intentionally* non-growing economy.

In practice this will require a fundamental shift

in values. Instead of mindless accumulation and an unquestioning search for 'more', we will need to look elsewhere for motivation and meaning. US sociologist Juliet Schor describes this important shift in cultural values as a journey towards 'plenitude'. By this, Schor means we need to step back from the 'commodified' relations of the market and think about essential human and community relationships.

What gives life value? How much stuff do we really need?

Saving the planet requires a new set of alternative values. At the very least we will need to reconsider consumerism, jump off the treadmill of globalization and invest in our local communities. This implies more co-operative and democratic ways of organizing society. It calls for interdependence rather than competition and a mix of strategies so as gradually to extract ourselves from the clutches of the unrestricted market. Schor talks about 'time wealth' rather than 'monetary wealth' and supports 'self-provisioning' (growing your own food, making things yourself) and 'true materialism' (using sturdy, durable goods that can be maintained and repaired). More critically, she advocates small-scale 'investments in one another and in our communities' as a way of bolstering self-sufficiency and rebuilding local economies.

Forty years ago EF Schumacher outlined the importance of 'scale' in his book, *Small is Beautiful*. Modern society, he wrote, is transfixed by the 'idolatry of giantism' which is 'incapable' of solving any of our real problems. Our goal is to bring things down to the level of people again, he believed. Prefiguring the growing enthusiasm today for 'localization', he wrote: 'We must learn to think in terms of an articulated structure that can cope with a multiplicity of small-scale units.'⁸

The question of scale is no less critical today to understanding the dilemma of limitless growth in a finite world. In a steady state with zero growth,

supply lines for both production and distribution will need to be dramatically shortened and energy inputs minimized. We will need to wean ourselves from our dependency on fossil fuels and depend increasingly on non-polluting sources of renewable energy. The highly centralized, corporate-led, globalized system which emerged over the past half century is built on a foundation of cheap energy from oil, coal and natural gas. Because of the threat to the global climate that era must now draw to a close. In a non-growing economy, this deregulated, privatized, profit-driven system will be recognized for what it is: a colossal barrier to our future well-being; profligate, wasteful and harmful to both people and the environment.

The challenge is to broaden our idea of the good life beyond consumption alone. That does not imply a wholesale rejection of material things. A steady state will continue to produce those things we need. The products of our hands, our minds and our machines are an essential part of what it means to be human. They are coded with symbolical meaning and they reflect our imagination, our intellect and our creativity. A post-growth world needs to value material goods but understand that an addiction to too much 'stuff' is suicidal. An individual's right to consume must take a back seat to the rights of nature and the broader public interest. Ultimately, culture and community matter more and resonate more deeply. Family, friends, faith, music, dance, conversation, theater, love, co-operation and many other human pursuits need to be at the core of what we value most.

But knowing where we must go doesn't make it easy. The transition to a new economic model is not going to happen overnight or without fierce opposition from those who profit from the current set-up. Lip service is paid to the notion of sustainability by even the most rapacious corporations. These days it's simply smart public relations. Companies like BP,

Dow Chemical and Rio Tinto are among the biggest polluters on earth, yet they continue to trumpet their green credentials. BP, for example, publishes a *Sustainability Review* where it outlines its commitment to bringing as much oil and gas as possible into production in the most efficient, least environmentally damaging way. The *Review* describes BP as a keen player in the Alberta tar sands. But it neglects to add that tar-sands mining may be the most destructive resource project on the planet. Even the US Department of Energy says that tar sands are a carbon bomb, producing three times more emissions per barrel and 22 per cent more greenhouse gas than conventional oil.⁹ Not to mention the vast expanse of boreal forest that is mowed down, the millions of liters of fresh water consumed or skyrocketing cancer rates in local communities. And then there is BP's rival Shell, which was hauled on to the carpet by the UK Advertising Standards Authority for an ad claiming that its multi-billion-dollar tar sands investment was a contribution to a 'sustainable energy future'.¹⁰ So much for corporate sustainability.

There are few globe-spanning firms that have not wrapped themselves in the flag of 'green growth', proudly displaying their eco credentials in order to get a leg up in the market. Environmentalists call it 'greenwashing'. Everything from hydraulic fracking and open-pit mining to jet travel and ocean fish farming is touted as 'sustainable' as long as the environment is given a cursory tip of the hat.

As a result, the word sustainability has become something of an empty buzzword. The truth is that the efforts of individual corporations to clean up their act are really side issues. Because for sustainability to have real meaning it needs to address the big picture. Just as replacing your old light bulbs with compact fluorescents or driving a hybrid electric car will not stop climate change, 'greening' the production process of one corporation, or even an entire industry, will

Degrowth in action 3

Toss it? No way!

It wasn't so long ago that people fixed things when they broke. Fifty years ago, if you had a hole in the toe of your sock, you (or your mother) mended it. If the washing machine stopped working, you called in the local repairer. In most Western countries this is no longer the case. We live in a throwaway society where a vast amount of perfectly good stuff gets chucked into the garbage with scarcely a second thought.

People no longer have the skills to make simple repairs to household items or they can't be bothered. Or it's easier and almost as cheap to buy a new one. Why repair your toaster when you can get a replacement made in China, Cambodia, Honduras or some other low-wage country?

There's a term for this: planned obsolescence.

Consumer goods are designed with a limited lifespan so that when they break down you will buy more. It's good for economic growth, good for business and good for the market. Unfortunately, it's not so good for the Earth. In fact, it's part of the deadly mix of greed, ignorance and short-sighted economic policies that is driving the planet to the brink.

Martine Postma had a better idea. In October 2009, the former Dutch journalist decided to challenge this pattern of consumer waste and resource depletion. She opened the first Repair Café in Amsterdam, a space where people could gather to share skills and help each other salvage goods that would previously have ended up in the local landfill. It's a way of reinforcing and building collective knowledge where neighbors can swap stories while mending a skirt or tinkering with a broken blender. Volunteer 'fixers' gain the satisfaction of helping others learn while people save money and reduce the amount of junk in the environment.

You could call it sustainability in action – a welcome alternative to our 'toss-it-and-forget-it' mentality. And it's spreading quickly.

With support from the Dutch environment ministry, Martine set up the Repair Café Foundation with the goal of spreading the word to communities across the country. There are now 20 Repair Cafés in the Netherlands and nearly 50 outside Holland – from Berlin and Brighton to Palo Alto and Toronto.

When the first US Repair Café in Palo Alto, California, opened in October 2012, more than 100 people showed up. The Toronto Repair Café was launched in the summer of 2013 with a monthly workshop where 'fixers' repair everything from broken lamps to busted chairs. 'It is a community initiative,' founder Wei Chu Cheng told the *Toronto Star*. 'The fixers teach the visitors how to fix things themselves. They explain to the visitors what they're doing, and at the end of the visit, they'll understand what went wrong and how it was fixed.'

If you think a Repair Café would be a valuable addition to your community, contact repaircafe.org for more information. ■

not make growth sustainable. In order to turn the behemoth around we need to realize that growth is a political problem that requires a political solution. We can only solve the problem by working collectively.

That's why growth critics call for a multi-pronged approach, working on theory and practice at the same time. A key concept is resilience, the ability to bounce back from stress and crises. The Canadian political scientist Thomas Homer-Dixon believes that our growth economy works to reduce resilience and thus increases the likelihood of social and ecological collapse. Governments, he says, need to become more active in promoting resilience since the private sector sees it essentially as a drain on profits. Today's globalized capitalism, in its most dogmatic form, assumes that 'larger scale, faster growth, less government, and more efficiency, connectivity and speed are always better. Slack is always waste. So resilience – even as an idea, let alone as a goal of public policy – isn't found anywhere on the agendas of our societies' leaders.'¹¹

But how do we create a resilient economy? We do it by planning, plugging holes, patching weak spots and constantly challenging the straitjacket of economic growth that constrains us. We may not know exactly how a zero-growth world would function but we do know that our basic assumptions must change. With this in mind, let's look at some of the key policy changes needed to pop the growth genie back in the bottle. ↓

Stabilizing population

'Look after the people and the population will take care of itself.' That was a popular slogan of those who supported a fairer deal for the developing world 30 years ago. The implication is that wealthier, healthier, better educated, well fed and housed people will decide on their own to have fewer children. The intervening decades have borne that out. In general, when living standards improve population rates fall. We see this

across the industrialized world. In most rich countries population growth is already at, or below, the natural replacement rate (the point where deaths equal births). For these countries, immigration is the only way to maintain a growing population.

Some 45 years ago *The Population Bomb*, written by biologists Paul and Anne Erlich, became an international – and contentious – best-seller.¹² The book described the links between population growth, resource consumption and environmental decline. The central argument was that the Earth has a finite capacity to provide food, shelter and a decent life for an exponentially growing population pursuing the consumer dream. The book stirred up a hornets' nest. The Erlichs were pilloried by the Left as neo-Malthusians who naively targeted overpopulation as the main problem rather than inequality. And they were attacked by the Right for insinuating that involving the state in individual fertility decisions, rather than market forces, could solve the problem.

Whatever the authors' intentions, their book succeeded in heightening public concern and prompted Western nations to funnel millions of aid dollars into Third World population programs. Fears of swarms of people from the impoverished South trashing the environment, undermining the global economy and enviously eyeing the fleshpots of Europe and America triggered some nasty, coercive interventions in population control. Indira Gandhi's forced sterilization program in India was among the most notorious. The country declared a state of emergency in 1975 and in the same year more than eight million poor villagers – mostly men – were sterilized.

The Population Bomb certainly pulled no punches. There are only two solutions to our dilemma, the Erlichs wrote. 'One is a "birth rate solution" in which we find ways to lower the birth rate. The other is a "death rate solution" in which ways to raise

the death rate – war, famine, pestilence – find us.'¹² What seemed gloomily pessimistic at the time sounds less so today. Demographers see the global population peaking at around nine billion by 2050. That's a threefold hike since 1950 when there were scarcely three billion of us on the planet. Most of these new citizens will live in the exploding urban areas of Asia and Africa where living conditions are difficult and basic infrastructure stretched.

Yet the world has changed dramatically in the last three decades. On the one hand, most countries now have family-planning programs in place and birth rates continue to drop globally. On the other hand, deregulated investment, coupled with wide-open markets, has spiked economic growth across much of the Global South, especially in India and China, where millions have improved living standards and aspire to live like middle-class Westerners. This 'aspiration bomb' is, of course, not confined to those two economic powerhouses. The same yearnings are spread across the developing world, wherever the hope of a better life glimmers.

How the extra two billion people on the planet will live depends on the delicate interplay between resource use and population numbers. The fundamental tension raised in *The Population Bomb* remains. Without redistribution of wealth and income, an expanding population requires more economic growth if per-capita GDP is not to decline. There is no appetite for tackling these fundamental issues among the world's political élites. The old paradigm is still firmly in place.

From a no-growth perspective, a stable population is essential. More people use more resources, produce more waste and have a proportionately bigger impact on the environment. We need to stabilize per-capita resource use but we also need to hold the line on population. It's not one or the other, but both. As the summary report from the first Steady State Economy

Conference notes: 'we need smaller footprints but we also need fewer feet.'¹³

Those two billion new arrivals cannot live at the same level of excessive consumption as the average European or North American. Yet justice and equity demands that basic living standards and material prosperity are shared across the planet. This is not possible unless rich countries voluntarily suspend or reduce growth so those who still need it can pursue it.

Controlling human fertility by edict has never worked. Population will level off when wealth is distributed more equally. That's well known. But increased living standards are not the only factor reducing births. When women win the right to education and employment; when healthcare improves and infant mortality rates drop; when women have the power to control their fertility through contraception and abortion: all of these trends cause birth rates to fall.

Reducing inequality

Inequality is the root of many health problems and social pathologies which have steep human and economic costs. To avoid class conflict and promote social harmony, a zero-growth world must aim to be radically egalitarian since we can no longer look to economic growth as the ultimate solution to poverty. Both wealth and income will need to be more fairly distributed.

Effective progressive taxation will require both corporations and rich individuals to pay their rightful share. Companies will no longer be able to avoid taxes by stashing profits in Luxembourg or the Cayman Islands. Among the cases in point: the Bank of America had offshore profits of \$17.2 billion in 2012 and paid no US taxes,¹⁴ while other wealthy companies like Apple, Amazon and Facebook avoid taxes by transferring profits to subsidiaries in low tax zones. According to a US Congress investigation in 2011, more than 60 per cent of Apple's \$34 billion in profits

were redirected to companies registered in Ireland, where the corporate tax rate is a paltry two per cent.

Inequality is about more than money; it's also about power. Institutional structures backed by business interests and political élites block change because they benefit directly from the *status quo*. That's why public policy often differs from public opinion. One way to address this is to expand those institutions that are inherently more democratic and not led by the profit motive. As corporate critic Marjorie Kelly notes: 'Our politics and economy are so intertwined that imbalances in wealth and ownership have eroded our political democracy. To fix this, we need to democratize the economic aspect of sovereignty.'¹⁵ The public sector deserves more respect. So do non-profit groups, credit unions and small businesses for whom growth is not the fundamental *raison d'être*.

But perhaps the co-operative movement is the best bet for advancing equality. Co-operatives offer a way to democratize ownership and to counter the divisions and inequalities of the market economy. The co-op model is a challenge to the hyper-competitive, winner-take-all mold of corporate capitalism. Co-operatives show there is an alternative to the market where profit is not the sole objective and where, theoretically, fairness is institutionalized and people are at the center of decision-making.

There is no question that mutual support works. The massive Mondragon Co-operative, a \$24-billion global operation in Spain's Basque region, is a case in point. Of the group's 270 component companies, only one went out of business after the crisis of 2008. And all these workers were absorbed by other co-ops.

Environmental justice means tackling inequality. Only by redistribution can we hope to slow the rate of growth. But what about the Global South, where average incomes are a tiny fraction of those in the North and where traditional economic growth still increases welfare when

reasonably distributed? Rich countries will need to reduce growth to free up resources and provide ecological space for the poor. But poor countries will also need financial and technological support from the rich to make sure their growth remains within the biophysical limits of

Degrowth in action 4

The co-operative solution

According to the International Co-operative Association, more than a billion people are now involved in co-operative ventures – as members, customers, employees or worker/owners. Co-operatives also provide over 100 million jobs – 20 per cent more than transnational corporations.

There are producer, retail and consumer co-ops and they're spread across every industry. Members may benefit from cheaper prices, friendly service or better access to markets but, most importantly, the democratic structure of co-operatives means members are ultimately in charge. A core principle is 'one member, one vote'. It's that sense of control that builds social capital and makes co-operatives such a vital source of community identity. Profits might be reinvested in the business, shared among members or channeled to the local community.

Can co-ops 'crowd out' capitalism? Probably not. But they can at least prepare the ground and help to expand democratic space. University of Wisconsin sociologist Erik Olin Wright believes they can play a vital role in rebuilding the public sphere and creating a wedge between the market and the state. Wright talks of a 'symbiotic' transformation where co-ops spearhead a wider democratic surge to help bolster civil society and put down roots 'in the cracks of the existing system'.¹⁶ Co-operatives can point the way towards a different kind of economic model where people control capital and not the other way around.

Because they exist to benefit their members, rather than to line the pockets of private shareholders, co-operatives are fundamentally more democratic. They empower people. They build community. And they strengthen local economies. ■

Facts on Co-ops

- More than a billion members worldwide
- Provide 100 million jobs
- Produce half the global agricultural output
- Finance co-ops serve more than 857 million people
- Top 300 co-ops generate \$1.6 trillion a year

Source: International Co-operative Alliance

the earth. Co-operation is paramount. Going it alone will no longer work when the environmental concerns are global.

Reining in resource use

This topic was discussed in detail in Chapter 2 so we'll summarize here. Our use of natural resources over the past century has increased exponentially in lockstep with growth. The expanding human economy has altered nature fundamentally and threatens to undermine the ecosystem services on which all life depends. All material inputs into the economic process must be returned to the environment as waste. We are producing millions of tons of toxic pollutants so quickly that the Earth is incapable of absorbing or recycling them. Some of these emissions, like CO₂, are key drivers in destabilizing the global climate. We need to recognize that the economy is a subset of the environment, not the other way around.

The eminent ecological economist Herman Daly suggests three basic rules to define the 'material throughput' of a zero-growth economy:

- 1 Renewable resources should be harvested at rates that don't exceed regeneration rates.
- 2 The rate of depletion of non-renewable resources should not exceed the rate of creation of non-renewable substitutes.
- 3 Pollutants should not be released at a rate that exceeds the natural capacity of the environment to recycle or absorb them.

Contracting and converging

How can we control both resource use and damaging emissions so as to reduce wear and tear on the planet? The challenge is to establish limits or caps on what can be taken out of the environment and what can be dumped back. Ecological tax reform would shift the tax burden from economic 'goods' (incomes) to envi-

ronmental 'bads' (pollution). Eventually this would raise resource prices and encourage reduced, more efficient resource use.

Letting the market determine damaging greenhouse-gas emissions through a 'cap-and-trade scheme' is a dead end, another way for corporations to make money rather than deal with the issue. A fairer approach would be 'contraction and convergence'. The idea here is to establish per-capita allowances on a country-by-country basis for waste emissions, harvesting of renewable resources and extraction of non-renewable resources, all of which would be managed under a total ecological 'cap'. There would be a process of 'convergence' over time between rich and poor countries. Initially developing nations would be allotted a larger share of the global budget of emissions and resources, a kind of catch-up period. Eventually, national shares would 'contract' to an equal per-capita basis proportional to population. The final contraction target would be contained within agreed environmental limits for the planet.¹⁷

Given the discouraging lack of progress at recent international climate talks this kind of global planning may seem like a pipedream. But there are not a lot of other options. *Sauve qui peut* isn't going to work any more in a deeply interconnected world where collective problems require co-operative solutions.

Sharing out the work

This is always a thorny issue, since employment is the siren call of growth. Productivity gains (via improved technology) translate into fewer jobs. So even with a stable population the economy must grow to create jobs for those who want to work. Even so, increased GDP is not an automatic guarantee of more jobs. Witness the slow pace of the recent 'jobless recovery' in the West.

In a zero-growth economy, with output capped

for ecological reasons, jobs would be shared and increases in productivity would be taken as more free time, helping to restore the balance between work and home. A 'steady state' may even boost jobs, since the rising prices of both energy and resources would make labor relatively cheaper and could, over time, reverse the historical trend of replacing workers with machines.

Then of course there is the public sphere, a frequent target of the Right, which derides the 'over-paid', 'coddled' state sector and the 'gold-plated' pensions of government employees. But in the transition to a zero-growth economy the government will need to backstop the job-creation process. There is much useful and necessary work to be done rebuilding essential infrastructure and patching up the social safety net that has become so frayed during the last three decades of neoliberal cuts.

Investing in public goods

The growth imperative lies at the heart of capitalist economics. Investors demand a return on their capital, which in turn spurs the drive for profit via growth. Competition fuels increased productivity (more output for each unit of investment) but eventually that leads to overproduction and, ultimately, declining rates of profit. Additional new investment is then needed to boost productivity, increase market share and profitability. Growth is not an add-on; it is woven into the market system.

A new economics of sustainability would tip the pattern of investment towards non-material production: more public goods and fewer private status goods. Ecological investment would require capital to be patient and rooted, with shorter periods of return and lower interest rates. Higher productivity would not be the goal. With a robust system of 'green taxes', investments in resource-depleting, pollution-heavy industries

would be less profitable and become less attractive. A capital tax on business, based on the amount of capital deployed, would also favor investment in people over productive assets, an important shift in the transition to a zero-growth economy.

In the US recently there has been a move towards 'benefit corporations' or 'B-Corporations'. This is an attempt to redefine the responsibilities of a corporation away from a narrow focus on profit and market efficiency, a step which could theoretically help to dethrone growth as the primary metric of corporate success. At the moment a corporation is legally obliged to maximize the return on investment for shareholders. The idea of a 'benefit corporation' is that business is embedded in a network of social and cultural relationships. A B-corporation enshrines those relationships in its articles of incorporation. When deciding how to run the business, company directors must look beyond narrow financial interests. They have to consider the workers and customers as well as the suppliers, the community and the environment. The B-corporation movement is small and mostly confined to the US. But it is growing.

Putting the free-trade genie back in the bottle

In our era of economic globalization, free trade, coupled with capital mobility, means corporations have the upper hand, playing nation against nation, driving down wages internationally and externalizing environmental costs. Global trade agreements now facilitate this outmoded orthodoxy of export-led growth.

But in a global system geared to exports every country cannot come out on top. One nation's trade surplus is another's deficit. Any attempt to slow growth would mean reducing the volume of international trade, with a short-term bias towards poor countries in the Global South that need

export earnings to bolster national income and fight poverty.

A no-growth economy would reduce international trade but not end it. Goods and services should be produced locally whenever possible. At the moment global free trade is powered by cheap energy from fossil fuels, cheap labor in the poorest nations and discount-priced natural resources. Environmental costs are 'externalized' – in other words, not included in the cost of production. The public picks up the bill and the planet suffers. The fast-growing 'localization' movement could help change that as citizens begin to understand the lunacy of a system which privileges 'price' and ignores 'cost'.

Building local economies can revitalize communities, making them stronger, more resilient and more neighborly. It can nourish human relationships and reduce environmental stress by minimizing energy use, shortening supply chains and encouraging durable goods meant to last. As the 'sinks' fill and the 'sources' dry up, prices will inevitably rise and the global economic system will careen from crisis to crisis. This is completely avoidable if we begin to unwind the bonds of the free-trade regime. But we must start now.

Countering consumerism

The culture of consumerism is exhausting our resources and despoiling the Earth. We cannot continue to consume ever more stuff on a finite planet. This is old news. Research shows that a ravenous desire for material goods does not translate into more happiness. Yet to keep growing the economy demands ever-increasing production *and* spiraling consumption. The two are linked in a deadly embrace. Moreover, the process of 'commodification' – turning even public services into privatized, profit-making enterprises – is rampant. The consumer ethos spreads outward from the market to infect all aspects of life.

Slowing consumer culture will require a systematic approach: thousands of commercial messages bombard us daily. Countering consumerism means creating public spaces free of consumer messages, and controlling advertising so that it provides information rather than stimulating the endless cycle of more equals better.

But it will also require a different way of 'being' in the world, where identity and meaning are forged from non-material relationships. Jumping off the treadmill of consumerism means replacing the siren call of 'more' with a more Earth-friendly acceptance of 'enough'.

I opened this guide with a reference to the barrage of criticism and disbelief that Charles Darwin faced when he introduced his theory of natural selection more than 150 years ago. The truth is that today we're captivated by a myth far more alluring than the one that constrained Darwin: the dream of perpetual growth. As a global society we have been living beyond our ecological means for decades, consuming too much and producing more waste than the environment can absorb. In the process we are eroding the future well-being of our children and grandchildren.

We've got some endgame issues facing us as a species, problems which will require us to co-operate on a global level if we are to make it through the next century without catastrophe. Climate change, resource depletion, ecological collapse and galloping consumerism: these are challenges few business or political leaders have the courage to confront. The UN itself is one checkered attempt to unite the peoples of the world in a common project of peace and prosperity. It has, to say the least, been fraught with conflict and disagreement.

We are living with an economic system that is producing vast wealth for the few at the expense of the majority. The model is broken and the damage to people, communities and the natural world is growing. In the aftermath of the great financial meltdown of

2008 and the continuing instability of the global economy, there is an urgent need – and a deep yearning – for balance and equality. The search for alternatives has never been more urgent.

¹ Paul Krugman, 'The Jobless Trap', *New York Times*, 21 April 2013. ² Richard Wilkinson and Kate Pickett, *The Spirit Level: why equality is better for everyone*, Penguin, 2010. ³ K Marx/F Engels, *The Communist Manifesto: a modern edition*, Verso, 1998. ⁴ Gro Harlem Brundtland, *Our common future*, Oxford University Press, 1987. ⁵ Ted Trainer, 'De-growth: do you realize what it means?' *Futures* 44, 2012. ⁶ D O'Neill/D Ben-Ami, 'Is it time to ditch the pursuit of economic growth?', *New Internationalist*, May 2013. ⁷ 'What is a Steady State Economy?', steadystate.org ⁸ EF Schumacher, *Small is beautiful: economics as if people mattered: 25 years later ... with commentaries*, Hartley & Marks, 1999. ⁹ no-tar-sands.org ¹⁰ Fred Pearce, 'Greenwash: Shell betrays 'new energy future' promises', *The Guardian*, 26 Mar 2009. ¹¹ Thomas Homer-Dixon, *The Upside of Down*, Souvenir Press, 2007. ¹² Anne's name does not appear as co-author because the publisher ostensibly wanted a single author. The book is therefore listed as Paul R Ehrlich, *The Population Bomb*, Ballantine Books, 1968. ¹³ DW O'Neill/R Dietz/N Jones (eds), *Enough is Enough: Ideas for a sustainable economy in a world of finite resources*, Centre for the Advancement of the Steady State Economy and Economic Justice for All, 2010. ¹⁴ S Anderson/S Klinger/J Rojo, 'Corporate Tax Dodgers: 10 Companies and Their Tax Loopholes', Institute for Policy Studies, 17 Apr 2013, nin.tl/17vGVqj ¹⁵ Marjorie Kelly, 'Can there be good corporations?', *Yes Magazine*, Spring 2012. ¹⁶ Erik Olin Wright, *Envisioning real utopias*, Verso 2010. ¹⁷ gci.org.uk