

## Building on Common Ground

The Green House Post-Growth Initiative seeks to make the future development of our society a shared project. It will thus be a contested project, and the papers we plan to publish over the next year will provoke as much opposition as support. That is the nature of political debate.

However, we claim a right to stake out the turf on which the battle of ideas will take place: that is the purpose of this preamble. Here we briefly describe the issues that, in our experience, have been debated to death, or are otherwise not the focus of our interest. At the end we suggest further reading that we take as definitive of our position.

*There are limits to Growth.* Essentially we are referring to the physical and ecological capacity to support and absorb human activities. The scale of those activities cannot continue to grow indefinitely without running out of the natural resources which they use, or destroying the natural systems on which they depend. Economic growth must, at some point, face limits.

*The most urgent physical limit to growth is climate change.* We accept that human activities are leading to climate change, as periodically reported on by the Intergovernmental Panel on Climate Change and that this is the most urgent and immediate environmental problem. While technological advances have their place as part of the solution, at present they are being used as a form of displacement activity to avoid addressing the structural changes to economic and social life that responses to climate change demand.

*It isn't just about climate change.* Climate change is the most pressing problem facing humanity but there are other urgent 'resource' and pollution constraints too, which need to be talked about more.

*Decoupling is not going to work.* Much hope is presently placed in technological improvements which enable us to grow without greater use of materials and energy, usually referred to as 'decoupling'. While we are all in favour of more renewable sources of energy and more energy efficient production methods we do not think that it is possible to completely 'decouple' economic production from energy or materials use.

*The world must not be dominated by finance and money.* The multiple crises of recent years have many causes, but one of the most important is the domination of the economy—and, in turn, of society itself—by finance. At the same time finance has become completely detached from the real economy of production and distribution. The 'financialisation' of nature is going on apace in the wake and needs to be urgently challenged and reversed.

*GDP is a poor measure of the economy.* This one is subject to more argument, but we are not going to argue about it here. GDP has many deficiencies as a measure of anything very much, let alone welfare, sustainability or happiness. For example it excludes even very conventional things like depreciation of capital equipment, quite apart from things not bought or sold, the depletion of natural resources, damage to the environment, and expenditure on bad things like crime.

*Happiness relies primarily on relationships rather than material wealth.* A thriving sustainable economy needs to provide everyone with a secure home, a good environment

and healthy food, but beyond that should prioritise our relationships with each other and with the natural world rather than the accumulation of material goods. We need policies that result in high levels of well-being but lower energy consumption and lower resource use.

*Equality and Happiness are closely linked.* The past thirty years have seen rapid increases in inequality, but also produced evidence that inequality stunts human flourishing not least by eroding social solidarity and community bonds. In terms of our project, the recognition of the need to limit the size of the economy makes issues of distribution much more pressing.

*A no-growth economy puts the final nail in the coffin of 'trickledown' theories of reducing poverty.* This has massive implications for the distribution of resources and welfare, at both the national and global levels. There is no good reason why a person born in the UK should expect to live to be 80 and one in Lesotho only to 48, or that gross national income *per capita* should be over US\$47,000 in Norway and only \$265 in Liberia. Global inequality has risen rapidly ever since the Industrial Revolution and it has to be put in reverse. We recognise that politically this is a very challenging task but we stand by it as the essential foundation for international peace and fellowship.

### **Further Reading**

The classic references for the limits to growth are Meadows et al., *The Limits to Growth*, 1972, and the update by Meadows, Randers and Meadows, *The Limits to Growth: The 30-year Update*, 2004.

Nicolae Georgescu-Roegen's 1971 work, *The Entropy Law and the Economic Process*, is a useful exposition of the conflict between economics and the hard sciences.

*Collapse: How Societies choose to fail or succeed* (2005) by Jared Diamond shows how resource depletion (often caused by status-seeking consumption by the rich) and climate change contributed to the collapse of several ancient civilizations. He also examines the degraded state of the environment in several modern countries and sets out the choices that we have before us of whether to look after our environment and thrive, or to destroy it and collapse.

The Intergovernmental Panel on Climate Change's latest (fourth) report from 2007 is available online. We fully expect the fifth report (due in 2014) to be even more pessimistic.

Tim Jackson's *Prosperity without Growth* is an important book about efficiency and equality, and argues against the possibility of "decoupling" economic growth from green house gas emissions.

On the problems with GDP as a measure, read Marilyn Waring's *If Women Counted* (1988) and *The Growth Illusion* (1992) by Richard Douthwaite.

Richard Layard's *Happiness: Lessons from a New Science* (2005) contains a lot about what does make us happy.

Wilkinson and Pickett, *The Spirit Level: Why More Equal Societies Almost Always Do Better* (2009) is essential reading on inequality.

The figures in the paragraph on a no-growth economy are from the UN Development Programme's Human Development Report 2011.