Imagining Europe Beyond Growth

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Moving Europe from Extraction to Regeneration

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Foreword



NICK MEYNEN, DIRK HOLEMANS & JAMIE KENDRICK

Dear readers,

On the occasion of the 2023 conference at the European Parliament on how to move "beyond growth", the European Environmental Bureau, Think Tank Oikos and Green European Journal joined hands to publish this special issue full of ideas for a more just society and a stable planet.

For us, this conference allows society, and especially EU decision-makers, to turn today's geopolitical and geophysical crisis into an opportunity to disengage from the socially and ecologically damaging race for growth and embark on a new path. As academics, policymakers and members of civil society explain in this issue, Europe should embrace a postgrowth future as the basis of its new type of peace project. The seeds of change are already out there.

Advancing to a postgrowth society calls for a democratically planned and equitable downscaling of production and consumption, sometimes referred to as "degrowth", in those countries that overshoot their ecological resources. The current climate chaos, which is rapidly unravelling the web of life on which our society depends, is an existential threat to peace, water and food security, and democracy. As Europe's economic growth has helped lay the ground for conflict in the rest of the world, this shift is key to Europe's global peace project. Growth has long been society's answer to economic equality and the social question, an alibi that has long ceased to hold in an era of inequality and ecological crisis. In a postgrowth economy, the current focus on quantitative growth would be replaced by the aim of thriving in a regenerative and distributive economy, one that delivers qualitative wellbeing by meeting the needs of all people within the means of the living planet, as elaborated by Kate Raworth in the concept of "doughnut economics".

For the European Union, the transformation towards a postgrowth society calls for a different future-oriented narrative. We'll need the political imagination to design a European Green Deal without growth and instead based on biocapacity, fairness, wellbeing for all, and active democracy.

In this issue, you will find inspiring ideas, examples and discussions of the many faces of a positive postgrowth future, one in which people and nature can thrive together.

Enjoy the reading.

Nick Meynen European Environmental Bureau

Dirk Holemans Think Tank Oikos

Jamie Kendrick Green European Journal



The Rise in Popularity of Degrowth



TIMOTHÉE PARRIQUE

egrowth is no longer a swearword. Twenty years after the emergence of *décroissance* in France, the concept has travelled far and wide. Born as a strange breed of activist slogan and scholarly jargon, the term has become one of the trendiest themes of contemporary environmental politics.

The doughnut economy of Kate Raworth inspired new forms of city planning in Amsterdam and Brussels. Scotland, New Zealand, Iceland, Wales, Finland, and Canada designed alternative indicators of prosperity in line with a wellbeing economy. The European think-tank ZOE organised several events around the theme of policymaking beyond growth. The Japanese Marxist scholar Kohei Saito became a media sensation after selling half a million books arguing that degrowth communism could halt the escalating climate emergency¹. The European Environmental Agency advocated for growth without economic growth²; and in September 2018, the European Parliament hosted the Post-Growth conference, an unprecedented effort to bring these ideas into European politics.

There are two reasons explaining the rise in popularity of growth-critical ideas. First, the controversial belief of early degrowth activists has developed into a rigorous science. At the time of the first international degrowth conference in 2008, there were only a handful of academic papers on the topic. A decade later, the literature has bloomed to more than 600 scientific studies.³ In a review of more than one thousand texts, we identified 380 policy instruments discussed in the context of a degrowth transition.⁴ The scholarship now offers a precious toolbox of concepts and strategies, including sophisticated policy designs concerning work time reduction, wealth and income caps, and welfare, among more general discussion on green new deals, sustainable work, and alternative business models.⁵

The second reason has to do with the ecological context. The aggravation of the ecological polycrisis and the meagre results of pro-growth environmental policies have made the plan-B of degrowth more appealing than it ever was. The tide is turning, and what was previously considered the pragmatic position (green growth) is gradually becoming an unrealistic utopia. In the summer of 2019, several colleagues and I published *Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability*, a report for the European Environmental Bureau. We concluded that there was no empirical evidence supporting the existence of a decoupling anywhere near the scale needed to deal with environmental breakdown and that such a decoupling appeared unlikely to happen in the future. Four years ago, this was blasphemy. Today, this view is almost mainstream.⁶

The idea is getting popular, but there is still a long way to go. Even the choice of titles for the European Parliament conferences ("PostGrowth" in 2018 and "Beyond Growth" in 2023) shows that not everyone is comfortable using the D-word. The word might not greenwashing mobilised to discredit more radical proposals. The lesson we should take from the last decades of environmental politics is that whatever has been tried until now has not managed to put us on the path to sustainability. Now, more than ever, is the time for plan Bs. The growth-critical discourse (*degrowth* as a transition and *postgrowth* as a destination) offers a solid body of knowledge and know-how to try new things.

TIMOTHÉE PARRIQUE is a researcher in ecological economics at Lund University in Sweden. Expert in degrowth, he is the author of Ralentir ou périr, l'économie de la décroissance (2022), a book based on his PhD thesis The political economy of degrowth (2019).

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The growth-critical discourse (degrowth as a transition and postgrowth as a destination) offers a solid body of knowledge and know-how to try new things.

be there, but the idea is: a democratically planned downscaling of production and consumption to lighten ecological footprints while reducing inequality and improving wellbeing around the world. *Degrowth* as a macroeconomic diet to sufficiently reduce environmental pressures to stabilise the metabolism of high-income economies at a scale that can be sustainable. Degrowth as a societal transformation would lead to smaller, steady-state economies in harmony with nature that could prosper without growth (the idea of *postgrowth*).

For a long time, the idea of green growth has sustained a don't worry, everything is going to be okay narrative, becoming a form of macroeconomic

7 barriers to green growth

7. Cost shifting

What has been observed and termed as decoupling in some local cases was generally only apparent decoupling resulting mostly from an externalisation of environmental impact from high-consumption to low-consumption countries enabled by international trade. Accounting on a footprint basis reveals a much less optimistic picture and casts further doubt on the possibility of a consistent decoupling in the future.

6. Insufficient and innappropriate technological change

Technological progress is not targeting the factors of production that matter for ecological sustainability and not leading to the type of innovations that reduce environmental pressures; it is not disruptive enough as it fails to displace other undesirable technologies; and it is not in itself fast enough to enable a sufficient decoupling.

5. Limited potential of recycling

Recycling rates are currently low and only slowly increasing, and recycling processes generally still require a significant amount of energy and virgin raw materials. Most importantly, recycling is strictly limited in its ability to provide resources for an expanding material economy.

4. The underestimated impact of services

The service economy can only exist on top of the material economy, not instead of it. Services have a significant footprint that often adds to, rather than substitute, that of goods.

3. Problem shifting

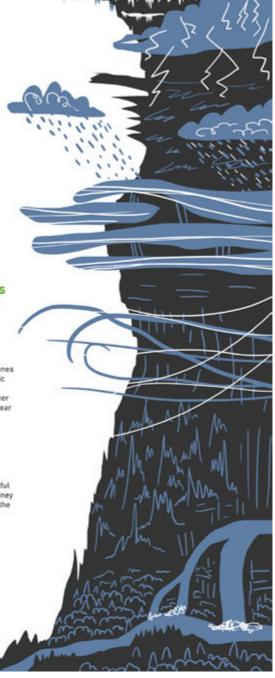
Technological solutions to one environmental problem can create new ones and/or exacerbate others. For example, the production of private electric vehicles puts pressure on lithium, copper, and cobalt resources; the production of biofuel raises concerns about land use; while nuclear power generation produces nuclear risks and logistic concerns regarding nuclear waste disposal.

2. Rebound effects

Efficiency improvements are often partly or totally compensated by a reallocation of saved resources and money to either more of the same consumption (e.g. using a fuel-efficient car more often), or other impactful consumptions (e.g. buying plane tickets for remote holidays with the money saved from fuel economies). It can also generate structural changes in the economy that induce higher consumption (e.g. more fuel-efficient cars reinforce a car-based transport system at the expense of greener alternatives, such as public transport and cycling).

1. Rising energy expenditures

When extracting a resource, cheaper options are generally used first, the extraction of remaining stocks then becoming a more resource- and energy-intensive process resulting in a rising total environmental degradation per unit of resource extracted.



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Our Vision for a Wellbeing Economy

EU WELLBEING ECONOMY COALITION

Undersigned organisations collaborate through a network focussed on turning the European economy into a wellbeing economy. This is the first commonly agreed and published text of this broad coalition and it lays out the long term vision of this civil society coalition. The wellbeing economy we want is focused on meeting the fundamental needs and rights of all, providing a safe and just space in which **everyone can thrive, within planetary boundaries**¹. It delivers **purpose, dignity and fairness in a participatory way.** To us, a wellbeing economy is an economic system that is no longer structurally dependent on economic growth. It is still a mixed-economy system with strong state, private and third sector actors, but one designed with a very different set of goals, values, and incentives.

Our current extractivist system is no longer fit for purpose and is fueling extreme inequality. It has been designed to promote growth, to maximise private profit and to commodify the commons. The concentration of material wealth in the hands of a few built into this economic system is detrimental to human and planetary wellbeing. **Extreme affluence drives overconsumption and devastating environmental and social impacts**.² The impacts are most keenly felt by those who are marginalised and living in poverty, within Europe and globally. Inequalities have been further exacerbated during the COVID-19 pandemic, the cost of living and the energy crises. Most climate disasters also hit low-income people first and harder, both in Europe and in the Global South, with women disproportionately hit. This is resulting in civic resistance to injustice, and also in **growing distrust of governments and institutions** that are seen as facilitating rising inequality³.

A wellbeing economy needs to be based on a 100% renewable energy system, going hand in hand with reducing the energy and resources we use, and overall consumption in Europe. The loss of biodiversity through the rapid extinction of millions of species is undermining our prospects for healing our ecosystem. The International Panel on Climate Change (IPCC) and Biodiversity (IPBES) have laid out how we need to cut energy and material demand to avoid climate and biodiversity catastrophe. Still, policymakers have so far shied away from such measures. This economic system not only undermines health and social wellbeing but also threatens most life on this planet, including human life. Overproduction and overconsumption have led us to the point of climate and ecological crises that endanger the life systems upon which we depend. There is no empirical evidence that economic growth can be sufficiently decoupled from its environmental impacts to the scale needed to address the climate breakdown.⁴

An economy focused on wellbeing significantly frees us from the time, energy and financial strains we are currently incurring trying and failing to fix the environmental and social harms caused in the relentless pursuit of growth⁵. It would be preventative by design, stopping further harm from occurring to people and the planet in the first place.

Around the world, we are witnessing important shifts in our understanding of progress and development. 74% of people in G20 countries have said they want national economic priorities to move beyond increasing profits and wealth to focus more on human wellbeing and ecological protection⁶. Around the world, policymakers and governments are beginning to heed this call and embrace a vision of a wellbeing economy. For example, the governments of New Zealand, Finland, Wales, Iceland, Scotland and Canada have formed the Wellbeing Economy Governments (WEGo) partnership to deepen their understanding and advance their shared ambition of building wellbeing economies⁷.

Complementary to their activities, many other countries and research groups have developed new indicators of progress⁸ based on human and planetary wellbeing. These indicators offer new ways to evaluate economic and societal progress and to identify policy interventions for systems change⁹. However, indicators are not enough: they need to move beyond monitoring and inform structural change of our economy and welfare state.

Leading academic and intergovernmental institutions have also gradually increased their focus on wellbeing economy ideas, with the appointment of Professors of Wellbeing Economy¹⁰, and programmes like the OECD Better Life Initiative¹¹ and the WHO Universal Wellbeing Economy Initiative¹². Within EU Institutions, the Joint Research Centre (JRC) is undertaking a study on the wellbeing economy, and MEPs are convening a large Beyond Growth Conference at the European Parliament in May 2023.

As the EU Wellbeing Economy Coalition, we strongly believe that the European Union should **place human and planetary wellbeing at the heart of its decision-making processes** and structurally move away from an economic system driven by GDP growth. Our vision is a system built around five core interconnected values: **participation**, **fairness**, **purpose**, **nature and dignity**. To build a wellbeing economy across the EU, we need to take a systemic, holistic approach and realise transformational shifts to deliver:

Participation

- Transparent and democratic institutions that enable meaningful participation of diverse stakeholders throughout decision-making processes and policy implementation.
- Thriving and inclusive organised civil society and trade union movements that encourage active citizenship at all levels.

Fairness

- Employment that delivers economic democracy, purpose and the means for a decent livelihood, with safe and healthy working conditions for people.
- Global trade, taxation and financial policies that provide equal opportunities, rights, power, and the fair distribution of wealth within society, between countries and across generations.
- Well-resourced justice system that guarantees independent judiciary, rule of law and access to justice for all.

Purpose

- Policy design, implementation and evaluation prioritising human and planetary wellbeing.
- Business models with social and environmental purpose placed at the heart of their mission and work.

Nature

- Decarbonised, dematerialised, circular and non-toxic economy.
- Restoration of ecosystems and resources, and the halting of biodiversity loss.
- Healthy relationship between people and planet, providing the foundation for people's physical and mental health.

Dignity

- Fundamental human rights of all people are respected and everyone is able to live a dignified life in comfort, health, safety and happiness.
- Public services are prevention-led and resilient to environmental, economic, political and health crises, accessible to all.

The economic system was designed – so it can be redesigned differently. We urgently need this redesign if we are to secure a future where we all thrive, and our coalition is confident that it is as possible as it is necessary. We urge the EU to embrace the opportunity for transformation and to put human and planetary wellbeing at the heart of decision making.

The Vision Statement was developed by the EU Wellbeing Economy Coalition with the following members expressing their support as first signatories:

- All Policies for a Healthy Europe
- Climate Action Network Europe
- Club of Rome
- EuroHealthNet
- European Environmental Bureau
- European Health Futures Forum
- European Policy Centre
- European Youth Forum
- Friends of the Earth Europe
- Generation Climate Europe
- Institute for European Environmental Policy
- Seas at Risk
- Wellbeing Economy Alliance
- WWF European Policy Office
- ZOE Institute for Future-fit Economies.

The EU Wellbeing Economy Coalition is coordinated by the Institute for European Environmental Policy and ZOE Institute for Future-fit Economies.

The updated Vision Statement with all signatories can be found here: https://ieep.eu/eu-wellbeing-economy-coalition

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"Not Growing but Thriving": The Beginning of a Paradigm Shift



INTERVIEW WITH KATE RAWORTH

What if we understood the economy not as some abstract construct at once shaping society but separated from the living planet that we all call home? What if the European Union dedicated itself to meeting the people's needs without pushing beyond planetary boundaries? The *Green European Journal* sat down with Kate Raworth, the renegade thinker and author of *Doughnut Economics*, to talk about prosperity beyond growth.

How would you define prosperity?

When Tim Jackson wrote *Prosperity Without Growth*, he pointed out that prosperity means *prospero* or that for which we hope. Each person will have a different interpretation of what prosperity looks like in their life. But what I think we can aim for collectively is to create the conditions that enable prosperity to come about. For me, that's what the doughnut aims to do.

The doughnut envisions a world in which every person has the resources to meet their essential needs and that we do that within the means of this living planet. Prosperity emerges out of every person having the means to lead a life of dignity, community, and opportunity, while we hold the integrity of this delicately balanced living planet. That, to me, is the very 21st-century vision for prosperity that we should be striving for.

Does Europe's pursuit of economic growth undermine the conditions for prosperity?

Let's step back. The nations within the European Union are among the richest countries ever. They have more wealth and resources than has occurred for any human society ever before us. Each one has around 30 times more income per person than, say, Malawi, Tanzania or Mozambique.

I challenge anyone to face people living in extremely low-income countries hit by the climate crisis and tell them that the only way that we, the high-income nations in Europe, can meet the needs of people in our country is to make our excessive-resource-consumption economies yet larger still. Tell that to someone standing waist-deep in floodwater or looking at parched crops. It is a myopic vision of transformation, we have to bring more imagination to this.

The dirty secret behind the last few 100 years of growth was an abundance of cheap energy. Coal, oil and gas made it possible for us to mine, heat,

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smart growth." All these adjectives show that we're aspiring to something more than growth. When Donald Trump came along, he took away all those adjectives and stripped it back to a call for growth. The debate is the same in the United Kingdom today. It's as if the more that growth seems elusive, the more obsessively politicians pursue it.

When governments pursue growth as a goal in itself, they undertake desperate and damaging measures to make it happen. They chase cheap energy and keep issuing licences for fossil fuels and opening coal mines. They say they're cutting red tape in the name of business innovation, but they end up undermining legislation that protects the rights of workers, protects communities and the health of a living world. They deregulate finance and unleash speculative bubbles. And they privatise public services and turn public wealth into private profit.

That's why it is so important to ask what are we for? Doughnut economics is a positive propositional frame: meet the needs of all people and do so within the means of the living planet. It is an over-

> riding vision to move from a degenerative economy that runs down the living world to a regenerative one. To move from divisive economies that capture value in the hands of a few to having distributive ones that share that value and opportunity far more equitably with everybody who co-creates it, and

and beat and transform, transport and consume so much of earth's resources, and do it all again tomorrow. That must now go. The tragedy of the present is that we now know that emissions from that fossil energy are breaking down the web of life upon which we all depend, and so we must move to a very different world in which we have far greater respect for energy and material use.

When I was writing *Doughnut Economics* in the 2010s, I listened to how politicians spoke about growth. Especially in Europe, they would qualify it with a lot of adjectives: "We want good, green, clean, resilient, strong, lasting, equitable, fair,

that turns out to be the whole of society. Europe has the opportunity to show the leadership of what this looks like.

Growth has always been part of the European story, even Europe as a peace project was tied to economic growth. Can't we avoid throwing the baby out with the bath water and go for green growth?

It sounds so good. Who's not for green growth? People have it in their job title or the name of their department, but it's unproven. Some European countries have decoupled rises in GDP from their carbon emissions, even measured on

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The more that growth seems elusive, the more obsessively politicians pursue it.

a consumption basis. And this decoupling is now celebrated as green growth as if the new paradigm is here and we are in a new world. But it's nothing close to what's required. The rate these countries are reducing carbon emissions at is 1 to 2 per cent a year. The climate science about what's required to keep global heating below 1.5 degrees tells us we need reductions on the scale of 8 to 10 per cent year on year.

When I explain it to people, I say that if we want to catch the last train home, we're gonna have to run. Not just run, sprint for our lives. If you break into a slow jog, we're going to miss that train. And that train is the stability of the climate, which will undermine all of our lives irrevocably into the future. There will be no growth in a hot-house future.

Carbon emissions are only half of the story when it comes to green growth. The other half is the material footprint: nitrogen use, land use, water use, minerals and rare earths. When you look at data on materials and GDP, there's nothing like the same scale of decoupling going on. So let's be very sober about the scale of the challenge and not get caught up in the dream of green growth. Some people say that it's too early to rule out green growth. I'd say the opposite. It's too late to pin our hopes upon it. We know that when push comes to shove, between green and growth, we know what will get shoved, it will be the stability of the climate and the web of life.

Every nation in the world is on this unprecedented journey. European countries have made some of the most progress in the world when it comes to meeting people's needs, even though there is still much poverty amid plenty. But they have a huge ecological overshoot and need to completely reorient their economies. There are no advanced nations. Because no country is currently meeting the needs of all of its people within the means of the living planet. Costa Rica is closer than any other. I profoundly believe that the European Union has the history and the ambition to show what it looks like to decarbonise and dematerialise the intensity of the economy. What are the most important lock-ins that we need to crack open to break our society's dependence on growth?

Thanks to the cheap energy that has been used over centuries, growth became a norm. It's like we were constantly on a rising escalator. We allowed that expectation to get locked into the design of institutions. We have designed social, financial and political institutions that have come to depend upon endless growth.

We have the financial lock-ins of growth, the commercial banks creating money as interest-bearing debt and the companies with a fiduciary duty to maximise shareholder returns. You speak to CEOs who say, "We want to make our company far more sustainable and regenerative and pay living wages to our supply chains, but every quarter we have the Holy Trinity of growing markets, growing profits and growing market share." So we need to change the deep design of business.

Our firms are always chasing labour productivity, trying to make more stuff with fewer people. When you chase labour productivity, it means that unless the economy is growing, unemployment will increase. Growth has been used to soak up that additional labour force. But why are we chasing labour productivity when the scarce factor in the world is not labour? The scarce factors in the world are materials and energy, so we should shift from labour productivity to resource productivity. With the right incentives, taxes and regulations, it will create jobs and bring people back in.

There are also social and political reasons to chase growth. Making the pie bigger has always been used as an excuse to avoid facing up to questions of distribution, deep inequalities and wealth accumulation. Who benefits? Whose growth is this? Owners of wealth capture politics and use their money to lobby to ensure that whoever's in government to help ensure that they can continue to reap growth out of the system.

The geopolitical lock-in to growth is also of course very real, especially right now. No politician wants to lose their place in the G20 family photo. Throughout the Cold War, the United States and the USSR competed to see whose economy could turn out more stuff. There is international pressure upon governments to keep growing to keep up with their friends or rivals.

I haven't even mentioned the way we fund our pensions, putting money in a fund now and hoping that a much larger pot will come out. There's something very unnatural about our pension system. A squirrel does not bury nuts in the autumn and expect to come back in the spring and find 10 per cent more nuts. It all comes back to money and its design with the expectation of endless return. It is designed in a way that runs counter to the rest of what we encounter in the living world. draw a picture of the economy, draw a circle around it and label it, the biosphere. Everything that comes into the economy – the energy and the matter – and everything that comes out – the waste, pollution and heat – must be compatible with conditions conducive to life on this planet. Economics should start with ecology and the planet's key cycles: the carbon cycle, water cycle, nutrient cycles, and all the planetary boundaries that we cannot overshoot.

Second, 20th-century economics starts with the market, with supply and demand, and so prices are the metric of concern used to calculate everything. As if everything were for sale, because money means price means market means sale. We need to move from the singular metrics of money

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Becoming systems thinkers and intervenors is what enables us to begin to appreciate the challenge of polycrisis to a dashboard of social and natural metrics. Let's measure life, in her own terms. Measure the life expectancy, the educational achievements, the self-reported wellbeing, to gauge the strength of a community. Let's measure the quality of housing and the access to essential services in people's lives, the stability of the climate and the health of our soils

The doughnut is a circular image, but we think about the economy as a line on a graph. Do we need to rethink economics?

300 per cent! The key leverage point for transformation is in our heads.

The first and most radical act is to draw the economy within the living world. If you ask a mainstream economics professor to draw the economy, you'll probably end up with a circular flow between households and businesses, with loops through government, trade and finance. All those flows just float on a white background. There is no living world, no care work, and no commons. The economy is abstracted from the rest of the living world.

Herman Daly, one of the founding fathers of ecological economics, made the first move by drawing the economy as a subset of the living world. If you and our oceans. Let's measure the integrity and intactness of the ecosystems on which life depends. We can do this. We have the data.

Third, the shape of progress is not an exponential curve smashing through the ceiling. There's no sense in something that aims to grow forever. We need to move away from that towards living within boundaries, finding a balance between the social foundation and the ecological ceiling. I really believe that boundaries unleash your creativity. Let's give ourselves clear ecological boundaries. Let's respect human rights, and unleash the creativity of seeing how to use our resources. How do we bring the entire instruments of economic design to meet the needs of all people within the means of the planet? The shape of progress becomes thriving in balance, not endless growth. Finally, our tools of analysis. Mainstream economics teaches us a form of comparative statics. It was John Maynard Keynes who said that economists tell us too little if they can only tell us that once the storm has passed the sea is flat again. I want to know about the storm. Comparative statics are useful for incremental marginal analysis in calm times. That is not the era we live in. We live on the cusp of dangers, an era of tipping points and major of the doughnut and its idea of thriving as their aim. They are running ahead of nation-states. They know that the transformation is needed and that the doughnut is a tool to help get us there.

We need to put these local aspirations of place together with our global responsibilities, recognising that every place is inevitably interconnected with the rest of the world through our use of mate-

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It's the 21st-century vision of prosperity, not growing but thriving.

rials as well as our global supply chains and our relationship with people who are refugees fleeing conflict and ecological breakdown. Europe can be a way to combine these aspirations of place with our global responsibilities. It can show that not only is it possible and necessary, but it's also transformative. It opens up new industries

transitions. We need to use the tools of systems thinking and recognise that there are reinforcing and balancing feedbacks. Becoming systems thinkers and intervenors is what enables us to begin to appreciate the challenge of polycrisis rather than trying to battle the crises one by one. We need to move from thinking we can control the economy to becoming stewards of its dynamic system.

So how are we changing the world then? And what's Europe's role in that change?

There's a real opportunity here. For example, we need to create far more circular use of materials, we need to move away from the take-make-use-lose economy to a regenerative one where materials are used again and again. How big should that ecosystem of use and reuse be? What is the region in which we expect materials to be reused and refurbished and reprocessed and recycled and shared? This is where Europe has such potential. Europe is almost a unique site for demonstrating that and making it possible for the rest of the world.

Over 70 cities, local governments and regions around the world are now engaging with doughnut economics. Cities like Amsterdam, Brussels, Barcelona, and Copenhagen have taken the concept and possibilities, and creates new jobs that have meaning and purpose in people's lives.

There are pioneers everywhere, from local communities to the top levels of institutions. Over the past decade, I hear more and more about living well within planetary boundaries, within limits, from the European institutions too. Limits is a transformative word, because it tells us that somebody has drawn that economy in their mind and they have drawn it as part of the biosphere. That is the beginning of a paradigm shift. It's the 21st-century vision of prosperity, not growing but thriving.

This conversation is part of an interview series led by the Green European Journal and EU Observer as media partners of the European Parliament's Beyond Growth 2023 Conference.

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A Postgrowth Economy Needs New Institutions



DIRK HOLEMANS

t is an insight we can no longer ignore: the economy cannot keep growing on a finite planet. The illusion of infinite growth disrupted the natural processes that provided a stable living environment, with ever more frequent heat waves, forest fires, hurricanes, and floods worldwide. And although the Global South is and will be hurt the most - which makes the ecological meltdown a global justice challenge of the first order - it is an illusion that rich countries in the Global North are or will be untouched. In Belgium, people died due to climate-related water bombs and the consequent flooding. In Germany, four out of five trees in the forests are sick due to consecutive extremely hot and dry summers,¹ and what today is considered extreme, could become the new normal.

But Prosperity without Growth, as British professor Tim Jackson described it in his eponymous bestseller more than a decade ago, is still difficult for many economists and opinion makers to conceive, as it contradicts the dominant thinking. And yet, thinking and acting *beyond growth* – call it degrowth or postgrowth – is just what we need for a viable future. It is a positive vision of the future that seeks to drastically reduce the throughput of energy and materials, which would allow everyone on earth the prospect of a good life within planetary boundaries. Perhaps the biggest source of resistance to this future lies in the fact that it goes head-on against vested interests and power relations. Especially oil and gas companies have an awful track record of financing lobby groups to poison the public debate and discredit climate scientists. And as researchers have shown, there are also other types of *climate delayers*, like those betting on technologies that don't yet exist.² So, it is important that degrowth proposals, like the one developed below, are part of a difficult but necessary uphill battle.

A degrowth economy requires types of economic institutions whose goal is to seek to meet people's needs, rather than today's corporations with their focus on growth and competitiveness, short-term profits, and shareholder interests. This requires a thorough rethinking of how we organise society.

A first recalibration is the revaluation of universal basic services. Most known examples are public

services, such as public transport, necessary to achieve a sustainable mobility system. But citizens organising themselves in so-called commons (also described as institutions for collective action) can also play a crucial role in building a future-oriented economy.³ Commons are a group of citizens who together carefully manage or produce a good. It is a way of organising that is centuries old and is now re-emerging everywhere. Think of citizens who jointly manage a piece of land, realise a co-housing project together, or set up an energy cooperative because they want to produce green electricity themselves, each time considering care for each ExxonMobil, Chevron and BP, cashed in record-high profits of €141 billion in 2022.

Energy cooperatives function in many ways totally different from "normal" corporations. They, for instance, don't want to sell more and more of their product. On the contrary, they inform and concretely encourage their members to consume as little electricity as possible. This means the economic governance model is categorically different from traditional energy corporations, which want to sell as much energy as possible to satisfy their shareholders on the stock market. To make

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We already have the new types of businesses we need to build an economy that fits within the planet's boundaries while striving for a good life for all. this argument concrete, I use the example of the biggest Belgian energy cooperative: Ecopower. As Ecopower informs and stimulates its members to take measures to reduce their energy demand, the average electricity consumption of an Ecopower family is more than 40 percent lower than that of an average Belgian family. Community cooperatives like Ecopower also invest part of the profits in their

other and the planet as crucial. Commons as an essential way of organising was for a long time put aside as futile, until the American scholar Elinor Ostrom was awarded the Nobel Prize in Economics in 2009 for her decades of study of commons worldwide. As our political institutions are relatively young, the commons can thrive for centuries if designed properly.

A strong example is energy cooperatives, which citizens have been establishing for the last two decades all over Europe. For the most part, they use their own windmills to produce electricity directly for their members, making them much less dependent on the vagaries of the energy market. This proved extremely important last year when the energy market in the European Union became totally dysfunctional. Citizens had to pay skyrocketing energy bills while energy companies made more profit than ever. The figures are outrageous: The five biggest energy corporations – Shell, TotalEnergies, local community. Instead of the dominant extractive economy, which removes the produced surplus value from a place or community, this is a strong example of a generative economy, which generates various forms of surplus value for the community.

And next to energy cooperatives, citizens are involved in the needed transition to sustainable energy. A research paper recently published in Nature counted more than 10.000 initiatives that, in total, involve more than two million people in Europe. The researchers write that they "find strong evidence for the historical, emerging, and actual importance of citizen-led collective action to the European energy transition".⁴

A crucial contribution of commons is that they – in the words of the sociologist Karl Polanyi – are examples of partly decommodification and re-embedding of the economy in social norms.⁵ They are so-called prefigurative practices, as they show how it is possible to take parts of the existing economy out of the growth-addicted market society. You can observe these initiatives also in agriculture, with citizen initiatives taking farmland out of the speculative market. They start foundations that buy farmland and then make it available to organic farmers. This is crucial as the latter invest a lot of time and energy year after year in improving soil quality. It is therefore vital that this farmed land does not revert to agribusiness. Or consider the example of housing cooperatives, which take buildings out of the crazy housing market and guarantee their members housing security for the rest of their lives at an affordable price.

The good news about this range of examples is that it shows that we already have the new types of businesses we need to build an economy that fits within the planet's boundaries while striving for a good life for all. And as citizens increasingly shape this new economy themselves, the question politicians invariably ask - is there support for the socio-ecological transition? - can be answered in the affirmative. Commons are usually established in the juridical form of ethical cooperatives - which include internal democratic decision-making and a cap on profit distribution - and can form the basis for restructuring entire economic sectors. Governments can support this turnaround by, for example, providing fiscal support to ethical cooperatives. This would also be a logical choice, as these companies add value to society in various ways.

Of course, all this also requires a cultural shift, not least in economic thinking and how that permeates society. For decades, economic thinking has been dominated by neoliberal dogmas, such as Milton Friedman's thesis, who wrote in the 1970s that the social responsibility of companies is only to make more profit. Meanwhile, with ecosystems on the verge of collapse and staggering inequality, reality tells a different story. The new economy we need has the first task of meeting the basic needs of everyone, within the limits of the planet. That requires an economy that, instead of producing more and more and fueling consumption, wants to care for people and the web of life they are part of. That means restoring ecosystems and ensuring we make our economy really sustainable. All in all, the good news is that citizens are already establishing

and expanding the new types of businesses we need to build a postgrowth economy.

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Companies' Contribution to a Postgrowth Economy



CHRISTIAN FELBER

an business contribute to degrowth? The Swiss economist Christoph Binswanger would probably deny it. According to his "growth spiral" theory, in a market economy, the interplay of banks, credit and companies causes a systemic coercion to growth. A single actor might deviate from this collective pattern, but the system dynamic for growth is compelling, according to Binswanger.¹ Postgrowth advocate Dirk Posse challenges Binswanger's theory. His question goes: "How can businesses contribute proactively as pioneers of change to a postgrowth society and overcome these growth drivers?" In his answer, he argues that businesses can choose a postgrowth path and identifies three main motives: First, postgrowth in ecological terms is part of an overarching common good orientation and universal responsibility of business. Second, resilience and risk-management to be able to persist in the longer term matters. Third, a company can gain competitive advantages and benefit from the "first mover advantage" if it actively contributes to the necessary structural change.²

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What if in every strategic step, decision-makers were obliged to listen to Mother Earth first, before taking other stakeholders into account? Can a single company remain competitive if it reduces its ecological impact in absolute terms? Pilot models for postgrowth companies exist in organic farming, the circular economy, cradle-to-cradle, the Blue economy, adherents of convivialism and others. New raw materials are being used that have a lower ecological impact. Other new business practices include a circular design for products, supporting customers in buying a variant with a smaller ecological footprint or a product that lasts longer, or renting or reselling products. Postgrowth experts Matthias Schmelzer and Andrea Vetter reference legal forms that take away pressure to grow, such as cooperatives, purpose property, or not-for profit company forms, advocating for commoning and economic democracy.3 The outdoor company Patagonia recently announced that they want to make Nature the firm's sole shareholder.⁴ What if in every strategic step, decision-makers were obliged to listen to Mother Earth first, before taking other stakeholders into account? Only if "green light" is given in the literal sense, other needs are considered.

Sustainability reporting frameworks

Some sustainability reporting tools aim at the absolute reduction of resource use and sufficiency. The Common Good Balance Sheet, the reporting tool of the Economy for the Common Good (ECG) movement says: "In addition to designing individual products and services more efficiently, it is essential to promote moderate (sufficient) overall use. Ultimately, this is the only effective way to reduce environmental impacts at a society-wide level." Applying companies are asked questions like: "To what extent does the business model pursue the objective of promoting sufficiency or moderate use?" Companies score highest in this aspect if "the promotion of moderate consumption is a key component of the business model and the company's approach to customer relations" and if "the product portfolio only contains products and services that support a lifestyle based on the principles of sufficiency".5 In the ECG movement, the pool of good practices surrounding how a single company can reduce the overall consumption of resources and emissions is growing. In Italy, a furniture manufacturer changed his customer relations strategy, from turnover maximization to "ethical customer relationship management". This includes, besides transparent information, honesty, a feedback culture and participation in the product design, a new key feature: When clients show up and ask for a certain product, the seller is instructed to ask back: "do you really need this product, or what is it that you really need?" According to first experiences, the answers - and solutions - are highly diverse. One possible answer is that the customer really needs (or wants) this product, but not now, maybe in a year's time. A second possible answer is that she actually needs a product, but not the one requested. A third option is that the customer needs something that is not sold by this company, but by a co-enterprise. As a cooperative business, our example firm has no problem with proposing a branch colleague with the fitting offer. (Over time, this feeds back, for the benefit of the customer, and all companies involved who enjoy the benefits of cooperation and flourishing relationships.) And in some cases, the result of asking back has been that the customer just needs nothing; or, at least, no commodity from the market; sometimes, she needed something that can not be bought in any shop of the world: a friendly face, an open ear, a good trust-building conversation. Another example is Grüne Erde in Austria, a company that "discovered" that the aggregated flight kilometers added up to flying twice around the equator. As a consequence, they decided to delete the budget for flights to zero, and invest a larger sum in improving the videoconference technology.

Scientific evidence

Up to date, there is some first scientific research on the "degrowth effect" of the Common Good Balance Sheet. A first empirical study of the ECG chair at the University of Valencia (Spain) on 206 applying firms found out that "the ECG model goes beyond all the previously described business approaches as it prioritizes the creation of social and environmental value over the economic one (...) Regarding the impacts, most of the European ECG businesses declared having perceived some type of positive impact (social, environmental or economic) in comparison with their industry average position." Accordingly, "the ECG model can become the next step in corporate sustainability since it completes the pre-existing models and this way it levers the development of sustainable business models".6 A three year research project at the universities of Kiel and Flensburg related to the ECG tool with Serge Latouche's decroissance theory. The authors conclude that companies that apply ECG "pursue the strategies re-evaluate, reconceptualize, restructure, redistribute, re-localize, reduce, reuse and

recycle, proposed by Latouche. Consequently, they "have the potential to contribute to a transformation towards a postgrowth society".⁷

Combination with systemic incentives

Some may still be skeptical about the absolute systemic effect of these changes as we have become well familiar with the rebound effect and the non-existence of absolute decoupling of GDP growth and resource use and emissions on the other.⁸ Companies will not be able to achieve systemic degrowth on individual initiative alone. For this, the system design has to change. The ECG model includes the linkage of positive and negative incentives for companies according to the score of their sustainability performance. Accordingly, the EESC "demands that the European Commission, as part of the renewed CSR strategy, make a qualitative step in order to reward (in terms of public

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Companies will not be able to achieve systemic degrowth on individual initiative alone. For this, the system design has to change.

stock markets and for the approval of mergers and acquisitions by antitrust authorities. Even access to the world market could be differentiated according to the score of the sustainability report.¹⁰

A truly systemic solution lies in the linkage of the economic micro and macro level. As a first step, a newly created "Common Good Product" (CGP) that measures what really matters to the people, could replace GDP as a measure of welfare and success. A CGP could be democratically composed by the citizens of a country enjoying strong political legitimacy. According to first pilots, people would include qualities like health, life satisfaction, thriving relationships, social cohesion, trust, just distribution, political participation, stable ecosystems, or peace. The monitoring "dashboard" could contain 12 to 20 subgoals, whose achievement is measured with 1, 2 or 3 indicators per subgoal. It can be aggregated to one number, if desired, to better

> compare the overall result with the same country's performance in previous years or the performance of other countries – given that they use the same targets.

Once such a bottom-up composed Common Good Product is in place, companies' sustainability reports could be aligned with them. Then, economic microagents would directly contribute to the goals of a society. The "European

procurement, access to external markets, tax advantages, etc.) those enterprises that can demonstrate higher ethical performance."⁹ Next to ECG, also B Corps and the Future Fit Foundation Standard offer a comparable quantitative score in their sustainability reporting tools. Concretely, if a firm reduces the use of natural resources and emissions in absolute terms, and thus contributes to climate stabilization and protection, it could pay lower taxes and enjoy priority in public procurement and economic promotion programs; financial institutions could be mandated to give better conditions to high scorers. A positive minimum score could be the precondition for being listed at Sustainability Reporting Standards" – currently developed in a delegated act by EFRAG – would then mirror the components of the EU's Common Good Product. As described above, companies that contribute more consequently to these sustainability goals, would enjoy diverse positive incentives. By contrast, low-performers would lose profitability and competitiveness. Ideally, the design of markets in a true Green Deal regulates business in a way that the EU's economy provides not only for stronger social cohesion and equitable distribution, but also stays within the ecological planetary boundaries and helps protect the foundations of life. **CHRISTIAN FELBER,** born in Salzburg, is initiator of the international movement for an Economy for the Common Good. He has lectured at several universities and published more than a dozen books on economic reform and holistic transformation.

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Business and Markets Beyond Growth



JENNIFER B. HINTON

Beyond the false dichotomy

The legacy of the Cold War has shaped our economic thinking in such a way that the public debate is trapped in a false dichotomy; that there are only two ways to organise an economy. Therefore, we must choose either the profit-driven market economy (tempered to varying degrees by the state) or the state-planned economy. However, economic models are not like a light switch. The diversity of businesses and markets that already exist points to a wider range of options.

Reporting back from a sustainable economy in 2040

Imagine that it is the year 2040 and that we have made all of the necessary changes to have a healthy, sustainable economy. Here is a thought experiment on how that might look and feel.

Our definition of success, prosperity, and progress has radically changed. Everything has been reoriented from a focus on making money and buying stuff to meeting our needs in the healthiest ways possible. And we have found that happens through connection, sharing, and caring. So now there is a big focus on maintaining strong connections and caring for ourselves, each other, and nature.

Now there is a widespread ethic of "enough." As long as each of us has enough material stuff to live a comfortable life, that leaves the space for others to also have enough and for nature to recover from all of the damage we caused. In order to ensure that we all have enough, every community has created its own sharing networks and communal spaces. We are growing food together in different little plots throughout each neighbourhood, on building roofs, in parks, and even in the centres of cities. We're keeping as much wild nature intact as possible and even restoring natural habitats, which benefits the wildlife, but it also benefits us to have easy access to nature. Most of us regularly go to the beach, the river, or the forest, where we can relax, play, learn, recharge, and reconnect.

Each neighbourhood also has communal spaces for making and repairing things. These are key places for meeting up with friends, family, and neighbours. Just down the street from me is a place where I can go use a sewing machine when I want to mend my jeans, and there's a tool shed where I can borrow tools to fix things around my apartment when I need to. There is an electric bike and car sharing scheme, so that I can just borrow a bike for daily use or borrow a car when I need to make longer trips that are not easy with public transport. There's a weekly clothing swap, where I can leave clothes that I'm tired of and pick up something new (at least "new" for me). Sharing these things with my neighbours reduces our environmental footprint because we're using less stuff collectively, and it also gives us a greater sense of connection.We're meeting more of our needs with less stuff. So, now there are much higher levels of equality, and nature is slowly but surely recovering.

The government still exists in much the same way as it used to. However, people tend to be more engaged with decision-making than before. We have the time and energy to be more involved, due to the shorter working week.

A key function of governments in maintaining our healthy society is that they provide universal public services like healthcare, education, water works, public transportation, museums, and public parks. The government also still plays an important role

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Businesses and markets still exist, but they take up less space in our lives and communities. in regulating the market. But rather than trying to reign in the greed of a forprofit market (as used to be the main role of the state), the government and businesses now have the same goal: to meet people's needs in the best way possible. And this transformation has changed everything. This makes it quite natural for businesses and governments to work together

Businesses and markets still exist, but they take up less space in our lives and communities. Ironically, I saw my job as an economist not to grow the economy but to shrink it, so as to make more space in society for the things that really matter, like health, love, and creativity. Now businesses and markets just exist to give us access to things that increase our wellbeing in a sustainable way, but those things cannot be sourced from immediately around us.

The purpose and ownership of business have fundamentally changed. All businesses are not-forprofit, which means that they all have a core social benefit mission and use any financial surplus for social benefit. Investments are made for social and environmental returns rather than financial returns. In this way, all the money and resources in the economy go to where they are needed most. And crucially, the surplus of the economy is no longer accumulating in the hands of a few business owners because there are no private business owners. for the benefit of their communities. Crucially, all businesses and governments are required to be transparent about how they use their resources and are held accountable by communities for delivering social benefits.

So, it is through this decentralised system of community networks, not-for-profit markets, and different levels of government that our needs are met. This makes our system balanced, resilient, and adaptable. This is in great contrast to the capitalist and state-planned economies of yore, which systemically led to the concentration of wealth and power in the hands of a few, making them very prone to corruption and social upheaval.

The destructive dynamics of a for-profit economy

Before we can fully appreciate why we need the not-for-profit businesses and markets described

above, we have to understand our current economy in clearer terms. Today, we have a for-profit economy made up predominantly of for-profit businesses. In this economy, the core purpose of business is to enrich private owners and investors. Businesses achieve this by generating as much financial surplus (i.e., profit) as possible and distributing it to their owners and investors.

Organising businesses and markets in this way might sound logical to most of us. However, profit-oriented markets are doomed to fail at equitably and sustainably meeting needs. In order to generate more surplus for their owners, for-profit businesses are incentivized to sell as many products and services as possible. They use a variety of strategies to convince consumers to keep buying more. This results in more profit but also in overconsumption and environmental degradation (like the climate crisis, biodiversity loss, and pollution). Furthermore, the core aim of private financial gain drives inequality because it incentivizes businesses to keep wages as low as possible to derive more profit for owners. As wages stagnate and a handful of business owners accumulate the surplus of the economy over time, inequality naturally increases. Moreover, the largest businesses are those that are most likely to be profitable, so profit-driven investments go to the largest, most visible businesses. As these businesses gain more investment, they are able to grow even bigger by increasing advertising, merging with other businesses, and buying up smaller businesses. This allows them to take over a larger share of the market over time, leading to the high levels of market concentration we see in every sector of the global economy today. Lastly, profit-seeking businesses and their owners have an inherent incentive to influence policy in a way that is profitable for them. Therefore, it is

quite rational for them to lobby policymakers for tax cuts and subsidies and to lobby against costly regulations and taxes that might benefit workers, local communities, and the environment. Thus, overconsumption, inequality, market concentration, and political capture are systemic features of the for-profit economy. They cannot be remedied without a systemic transformation.

The healthy dynamics of a not-for-profit economy

Fortunately, businesses and markets do not have to be profit-driven. A brief look at the diverse types of markets that have existed throughout human history reveals that most markets have existed for the purpose of meeting communities' needs rather than making business owners rich. Our for-profit economy is actually an anomaly in the long arc of economic history. And even today, there are a whole host of businesses that treat profit only as a means to achieving social and environmental benefit. These are not-for-profit (NFP) businesses. Although they share the same legal structure, they are different from traditional charities in that they generate most or all of their income through the sale of goods and services on the market rather than relying on grants or philanthropy. They are different from for-profit businesses in terms of their legal purpose and ownership structure. Instead of pursuing financial gain for private owners, they have a core social benefit purpose, and all of their profit must support that purpose. No profit may be distributed to private owners.1

An example is the YHA in the UK, which sells the services of recreation and accommodation and uses all of its surplus to help young people experience the countryside. The category of NFP businesses includes

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Our for-profit economy is actually an anomaly in the long arc of economic history. a diverse range of businesses that you can probably find throughout your local community, such as charity shops that sell second-hand goods; community supported agriculture schemes; foundation-owned restaurants and cafés; renewable energy cooperatives; mutual insurance companies; credit unions and cooperative banks; consumer cooperative grocery stores; cinemas and theatres owned by NFP associations; municipality-owned transport companies; hostel associations that provide accommodation; sporting associations that provide recreation services; and the list goes on.

The not-for-profit legal structure is an ideal foundation for a sustainable postgrowth economy. A market made up of NFP businesses would have very different dynamics than a market composed of for-profit businesses. In such an economy, there are no private financial owners to receive the surplus of the economy, and instead, all of the profit goes to meeting social and environmental needs. This leads to higher levels of equality. Due to the fact that this kind of economy is oriented towards social and ecological goals rather than enriching private investors, there is no inherent pressure to keep growing production and consumption or to suppress wages. This allows for a non-growing or shrinking economy. Furthermore, a market driven by the goal of producing positive social and ecological outcomes aligns much better with other sustainability principles, policies, and interventions. For instance, efforts to redistribute wealth, promote sufficiency-based lifestyles, protect ecosystems, protect workers, and alleviate poverty can all be much more effective in an NFP economy that ethically aligns with these aims as compared to a for-profit economy that is driven by financial gain for business owners and is in direct opposition to these aims.

That is not to say that an NFP market economy would necessarily be sustainable. It also needs to be circular, sufficiency-based, ecologically regenerative, and democratic, to name a few other key principles. Businesses must only offer products and services that meet people's needs. They must adhere to the principles of circularity, making products that last and can easily be repaired, reused, and recycled. They must make every effort to assess and minimise detrimental impacts on people and the planet, using tools such as the Common Good Balance Sheet or the Future Fit Business Benchmark. That includes impacts on consumers, workers, the communities in which they operate, other supply chain actors, ecosystems, and society at large. They must do so in a transparent way, making their annual financial, social, and

environmental reports publicly available so that they may be held accountable for the way they conduct business. In terms of internal business governance, businesses must make sure that all the relevant stakeholders mentioned above have a say in decision-making.

This means including representatives of workers, consumers, and the local community in their boards and decision-making processes, as well as frequently checking in with other supply chain actors.

Civil society actors and the state also have a critical role to play in governing sustainability-oriented businesses and markets. This includes informing businesses of society's needs, guiding business activities via policy goals, constraining business activities via regulations, and holding businesses accountable for contributing to social benefit and ecological regeneration in clear and transparent ways.

Key transformative policies

What are the kinds of policies that can enable this crucial transformation? The overarching policy goal would be to phase out for-profit institutions while building up a robust NFP economy. This is an overarching policy goal that can be enacted by a package of policies that incentivize for-profit companies to shift to NFP structures, as well as guidance and support for new businesses to start up as NFPs.

Public procurement should favour not-for-profits and place a distribution constraint on for-profits (i.e., they cannot distribute their profits to private owners). This is easy to justify, as currently private business owners are accumulating a significant amount of wealth from public spending, which reduces the amount of benefit that middle – and low-income communities receive from that spending.

Government support programmes for business should favour NFP businesses and help for-profit businesses transition to NFP structures (e.g., seed funding, mentorship and incubator programmes, and legal advice for start-ups). This can build on existing efforts, such as NFP business incubators like Nonprofit Ventures in the Netherlands, the Social and Solidarity Economy networks around Europe, and the Steward Ownership movement that is rapidly spreading around the world.

Patagonia has shown that large, international forprofit companies can transition to NFP ownership. (There are further steps that Patagonia should take to become even more aligned with postgrowth aims, such as making its governance structure more democratic). Also, many large industrial foundations in Europe, such as IKEA and Bosch, are only a small step away from being NFPs.

Policies should eliminate barriers for NFP businesses. This includes removing non-competition rules and limits on business income for not-forprofit organisations.

Policies should make it harder and more expensive to start for-profit businesses (e.g., through taxes, fees, and increased transparency about financial flows). This includes taking away tax advantages and subsidies from for-profit companies (especially the largest incumbents). Governments could use the money generated from such fees and taxes to invest in sustainable NFP businesses.

Lastly, we must shift pensions away from the stock market and into green and social bond markets, where the money can be used to build up regenerative NFP businesses. Pensions will also be safer in such markets.

Moving away from the for-profit economy is necessary for a postgrowth economy. Luckily, it is also feasible if we build on existing structures, institutions, and societal trends, like NFP businesses. It is not sufficient, but a not-for-profit market economy allows for other postgrowth propositions, such as a shorter working week and the redistribution of wealth, in ways that the for-profit economy simply cannot.

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Endnotes

1. Scholars characterize NFPs as having collective ownership, or even as having no financial owners.

Reimagining Work in a Europe Beyond Growth



PETER NITSCHE-WHITFIELD

n the early spring of 2023, Southern Europe was already facing a drought, including forest fires as early as March. The danger is that ecological disruptions like these will increase in severity, with the very real danger of irreversible tipping points being breached. Thus, the IPCC¹ argues that there is a "closing window of opportunity to secure a liveable and sustainable future for all." This situation is causing economic growth to become both increasingly infeasible and undesirable.²

In my recent report for the European Trade Union Institute on "Beyond Economic Growth: The Role of Trade Unions in the Transition to Well-Being³", I highlight how a Europe beyond economic growth—a scenario that is becoming ever more likely—will bring about substantial changes to European economies that offer an opportunity to reimagine work in society.

This article will outline how ecological crises are disrupting work, how transforming production will require transforming work, and how a just transition can smooth this disruption and provide meaningful work. It will also point to social-ecological working time reduction (WTR) as a policy to create a labour-nature alliance to bring about a shift in societal focus towards wellbeing and equity instead of profit and growth.

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Climate breakdown is already impacting workers in Europe, especially under extreme weather conditions.

Impacts of extreme weather events and ecological crises on work

Climate breakdown is already impacting workers in Europe, especially under extreme weather conditions. Agricultural and construction workers, for instance, see their working conditions drastically worsen during the increasingly common heatwaves. Similarly, floods induced by climate breakdown often destroy the infrastructure that transportation workers' livelihoods rely on.⁴ The impacts of intensifying extreme weather events will thus have a major impact on work by disrupting it and reducing its safety and quality. Furthermore, the impacts of ecological crises are likely to exacerbate inequality by strengthening the differentiation in wages between those who work inside and those who work outside.⁵

In addition, the recent COVID pandemic, which was at least made more likely due to biodiversity collapse that facilitates zoonotic disease emergence⁶, is a prime example of the deep disruption that nature can bring about.

Shifting work from extractive and divisive to regenerative and distributive sectors

To address and counter these ecological crises, ecologically extractive and socially divisive sectors will need to shrink to the benefit of sectors conducive to wellbeing. Thus, work will also have to be transformed. For instance, highly skilled workers in the fossil fuel sector will be needed in similar positions in the renewable energy sector. Similarly, factories may be put to effective use, for instance, by switching from the production of SUVs to the production of buses. This has the added benefit of not requiring additional growth to green the economy. Such an ecological conversion of production requires worker knowledge to work. Therefore, economic democracy-i.e., giving decision-making power to workers and other stakeholders-could play a key role in the transformation of our economies. Trade unions are well placed to support these endeavours and are already engaging with the ecological transition, for instance through the creation of environmental representatives on union branch committees.

A just transition will be required to smoothen this disruption in the world of work

The recent EEB report by Marguerite Culot and Katharina Wiese on "Reimagining work for a just transition"⁷ highlights how a job guarantee could smoothen the transition from sunset to sunrise sectors and provide everyone with options for meaningful work. For example, rewilding will require major efforts to halt and reverse biodiversity collapse. However, these jobs should not be a substitute for benefits that force people into low-quality work. The European Trade Union Confederation (ETUC) thus calls for quality, long-term jobs to counter these threats.⁸

Furthermore, the ETUC puts forward strong and effective social protection systems as one of the five pillars of a just transition. In my report, I argue that universal basic services (UBS) could be the core of this pillar, providing security and continuity, which will be direly needed in a time of rising uncertainty. Healthcare, education, social care and basic mobility services free at the point of use would have a transformative nature and could also centre care and reproductive work - thus counterbalancing the focus on male-dominated jobs in mainstream calls for a just transition.9 Life-long education and skills training could also support the workforce moving into new sectors and be able to work through coming transformations. Lastly, UBS is also highly ecologically efficient and can ensure wellbeing and human flourishing in a Europe beyond growth¹⁰; thus reducing the growth imperative as wellbeing becomes less dependent on income.

Social-ecological working time reduction is key for a wellbeingfocused move beyond growth

Reducing pressure on the living world will require an absolute global and permanent fall in emissions, land use, resource extraction, and pollution. This aim clashes with the so-called growth-jobs treadmill.¹¹ Currently, increases in productivity result in a falling amount of work required for the same output, thus necessitating additional growth to offset job losses and uphold wellbeing. This leads to the "growth imperative" and a dilemma for trade unions: growth needs to be questioned but cannot be challenged due to its relation to jobs that are necessary for wellbeing.

A solution for this dilemma is the introduction of working time reduction (WTR), which promises a triple dividend of reducing unemployment, cutting carbon emissions, and raising quality of life.¹² On the one hand, individual WTR redistributing work will allow for increased wellbeing and counter our dependence on growth. More leisure time also allows people to exit the work-spend cycle. And on the other hand, WTR at a societal level can provide an imperative to reduce socially unproductive work, thus driving a shift towards meaningful work that is less ecologically harmful. For instance, societal WTR can go hand-in-hand with ending planned obsolescence, a key postgrowth policy. Thus, WTR also features during the eighth focus panel at the Beyond Growth Conference 2022, which will discuss "Cutting the addiction of labour to growth: the fourday week."

A labour-nature alliance for socialecological working time reduction

With trade unions boasting a long history of demanding working time reductions, they will also be key actors in reducing time spent working in the future. Many trade unions are already in favour of WTR, with Fórsa¹³, CGT¹⁴, GPA¹⁵ and ÖGB¹⁶ demanding a move towards a four-day week, citing reduced emissions as one reason for this. This highly popular policy¹⁷ could thus be a key to a wider labour-nature alliance¹⁸ that brings about the needed transition to wellbeing.

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Bringing Europe's Economic Governance Down to Earth



INTERVIEW BY JAMIE KENDRICK WITH PAOLO GENTILONI & PHILIPPE LAMBERTS

The European Green Deal commits the EU to the pursuit of green growth. The European treaties mandate national governments to make sure their GDP is in line with their public debt. Is the European Union hooked on growth? The Green European Journal asked European Commissioner for Economy Paolo Gentiloni and Co-President of the Greens/EFA Group in the European Parliament Philippe Lamberts if Europe can fight inequality and protect the planet without growth. Jamie Kendrick: Should the European Union accept that economic growth is over?

Paolo Gentiloni: I sincerely hope not. Two distinct but connected conversations are overlapping here. First, there is a conversation on "beyond growth", meaning quality, sustainable growth beyond GDP. It is a reflection on how to enlarge our assessment of growth away from traditional parameters to include other qualitative measures such as the Sustainable Development Goals. This sustainable growth is exactly what is needed. Then there is a parallel conversation on whether we need growth.

The easiest part is, yes, we definitely need growth. Beyond growth, there is recession, stagnation, and austerity. The discussion on fiscal policies, innovation and green transformation are all also about growth. I am okay with the message we can't rely only on the traditional definition of growth as measured by GDP. But arguing that the era of growth is behind us would be very dangerous. In a low-growth – let alone a no-growth – environment, tackling inequalities and the green transition becomes very, very challenging.

OK, but pushing for more growth means pushing harder against environmental limits and the limits of people too. Isn't there a contradiction between prosperity and growth?

Philippe Lamberts: The question is whether something called sustainable growth can exist. Growth is the size of the economy measured in monetary terms, right? So growth means a bigger economy. We can only have that if we absolutely decouple the size of the economy from its material and

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Paolo Gentiloni: It's our job to find a positive answer to that question and show that sustainable growth is possible. Otherwise, we are in a very difficult situation. We need to do everything we can across policies to reduce our impacts: energy savings, biodiversity protections, product design, right to repair and so on. But we still need growth.

Looking at history, addressing inequality has been achieved through growth. Who knows about the future, but the low growth in the European Union over the last 10-15 years has only made inequality worse.

> Philippe Lamberts: That was a political decision. People at the lower end of the income distribution have borne the brunt of the effort since the global financial crisis and the eurozone crisis. It didn't have to be that way. Bank shareholders and bondholders should have shouldered the losses... But we were worried

climate impact on the planet. The science so far hasn't found that to be possible.

Energy is ultimately at the heart of the economy, so growing your economy means that you'll always need more and more energy. In the second half of 2022, the European Union cut its energy consumption by 20 per cent without shrinking its economy by 20 per cent. That's an achievement, it's relative decoupling. But if we want to absolutely decouple the economy from energy and materials and lower our emissions, I don't know whether that's possible. At some point, you'll hit a limit, so I question the feasibility of endless growth.

If we accept that there are limits to economic growth on a finite planet, then the distribution question becomes much more important. When the pie is growing, everyone can have a slice. In reality, the person on street doesn't get as much as the CEO and the Davos people but everyone gets some. That is the politically difficult point where we are today. about growth and the economy, and ultimately, they got richer than ever.

Paolo Gentiloni: I'm not denying that theory, not at all. But look at the history of inequality. Take Thomas Piketty's A Brief History of Equality: the trend of inequality was reduced substantially in periods of high growth. Could we in theory do it differently? Possibly. But human nature is what it is and it is a lot easier to work for sustainable growth than to try to reach increased prosperity and equality with a declining economy.

The European Union has committed to green growth to solve the climate problem. The United States and China are doing the same. Doesn't Europe's green transition need a new social model rather than entering a new race for competitiveness, with all the pressure it places on people and planet?

Paolo Gentiloni: I see the risk. We say, okay, we go for green, for net-zero industry, but then we

rush to compete over a horizon based on the same model, same systems, and exploiting the same old mechanisms. But if we want to look at things positively, I also see a cultural and behavioural shift.

The COVID lockdowns changed our relationship with our jobs and how we work. I've never seen such an enormous shift in the behaviour of consumers, households and families. This is bringing the green transition down to earth. A lot of people are considering different relationships with work or different ways of moving around our cities. The European conversation on working time has re-opened.

If we push in the right direction, keeping competitiveness together with sustainability, the circular economy and redistribution, we can make progress. It is not easy in times of high inflation, not easy. The redistribution message is important because right now we are facing a loss of purchasing power for many people and high profits in some sectors. That was the logic of the EU-level solidarity contribution on energy firms' excess profits.

Philippe Lamberts: I wouldn't look at competitiveness as a bad word. Competitiveness is essentially a comparison of two ratios: the ratio between the value you can produce and the cost and the same ratio for somebody else. We tend to limit competitiveness to wages, but actually that is cost competitiveness. Europe cannot be a low-cost continent. We don't want to be a low-cost continent but a high-value continent.

The green transition can be a competitiveness play for Europe because we're targeting the highvalue space. It is the only way to guarantee high living standards. We should be trying to create the highest-value goods with low resource and energy costs and high wages and working conditions.

In many European countries, we're seeing high tensions in the labour market and the bargaining power should lie in favour of the workers to the detriment of the owners of capital. They are competing to keep the best people. If the basic conditions of the labour market already ensure that the distribution of added value is fairer, you already solve part of the problem and you do not need distribution policies to do so much of the work.

For a long time, there was an idea that governments needed to keep public debt levels low to maintain high economic growth. Now governments are taking on debt to fight crises, invest in the green transition, reduce inequalities and rebuild their militaries. What do all these public commitments mean for the EU's macroeconomic governance?

Paolo Gentiloni: The debt levels of European countries have increased substantially in recent years. The EU treaties set a benchmark of a 60 per cent debt-to-GDP ratio for EU governments. It was not something that was proposed by a Nobel Prize winner. It was just the average debt of the 12 countries that signed the Maastricht Treaty. Now the average debt of those 12 countries is 83 per cent.

This continuous increase in debt is not good. Some countries have excessive debt levels that could be a problem for stability. But at the same time, we have in the past interpreted the rules of the Stability and Growth Pact in a way that placed all the emphasis on stability and almost nothing on growth. It was a mistake then and it would be a big mistake now, seeing the mountain of investment

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We need to avoid the same mistake made after the financial crisis when we cut public investment year after year. that we have ahead of us, for the green transition and competitiveness. Of course, these challenges require mainly private investments but you also need a role for government. No one denies that, not in the US, not in China, and not in Europe. 66

Climate change and its impacts cannot be excluded from our economic models.

like the 12 or so useless regional airports that were built during Spain's construction boom.

The Greens/EFA group in the European Parliament has studied the impact of the timing of climate action on the sustaina-

The mindset is changing in Brussels. Is it enough to change the mindset, with no money? In 2020, Europe made the big decision to create an unprecedented programme to fund the recovery from the pandemic with 800 billion euros. If we are serious about the green transition, we also need a common commitment. The green transition will be an enormous effort and there will be a period when we face many costs without new revenues to pay them off. That is true from the car industry to the renovation of buildings. We can't address these challenges only by loosening state aid rules and crowding in private investments, because otherwise, we risk seeing too much divergence between EU countries.

So, yes, we will have to face higher debts and we need to avoid the same mistake made after the financial crisis when we cut public investment year after year.

Philippe Lamberts: Public debt needs to be weighed against the net capital position of governments. If the debt corresponds to better energy infrastructures, higher education levels of populations, the ability to create useful goods and services, resilience against environmental disasters – basically the firm stuff – it's fine. If you fund ordinary expenditures with debt, then you have a problem.

We should never forget that there are two ways to fund public expenditure: debt and tax. I know the T-word doesn't please everyone, but higher and fairer taxes are a democratic choice to be made. If we look at the fiscal rules of the European Union, we need an intelligent approach to the sustainability of public finances. We owe it to taxpayers that we spend money most efficiently and effectively. We do need arbitration, pressure and democratic scrutiny. Otherwise, the risk is that you build white elephants bility of public finances. The outcome was that the sooner you invest, the better your public debt sustainability will be. If you are going to spend 100 billion euros of public money on the climate, better do it now rather than face a bigger bill later.

The economy works in cycles and right now we have to catch up in terms of private and public investment. When you accelerate investment, we can expect higher debt. But investments like high-quality water systems and railway networks are long-lasting goods that will be paid off throughout our lives and those of our children.

One of the proposals made by postgrowth and beyond GDP economists is that a whole range of wellbeing indicators should be at the centre of our economic decision-making. Since we are reforming the EU's fiscal rules, couldn't we look as closely at, for example, air pollution or the quality of public housing as much as the two fairly reductive measures of debt and GDP?

Paolo Gentiloni: There are several moves in this direction, but there is also the stubborn fact that money is money, debt to GDP is debt to GDP, and the rest is a Christmas tree.

For the past 12 years, as part of its economic surveillance, the EU has published an Annual Growth Survey. But since 2020, this document has been renamed the Annual Sustainable Growth Survey, to factor in more fully the social and employment dimension and, more recently, the Sustainable Development Goals. I fully agree that our debt sustainability analysis also has to factor in environmental issues. Central banks and businesses are doing this too. Entering this new mindset is difficult and it is a process. Here, the contribution of the European Parliament to our proposals can be very important, because this necessity is to a certain extent more clearly perceived there than among the Member States.

Philippe Lamberts: It is almost a theological debate because some people consider the benchmarks of 3 per cent deficit spending and 60 per cent debt levels as holy. Many economic models are based on assumptions that are completely ignorant of the realities of this world, starting first with energy.

Fossil fuels concentrated energy built up over millions of years. They are a geological miracle that created the illusion of cheap and abundant energy. Producing energy by wind and solar power is much less efficient than burning oil that just springs from the ground. We have to relearn the harsh reality of how energy behaves and factor it into our models.

The same is true for the cost of non-action. Wallonia in Belgium is a region whose public finances are really not in top shape. Suddenly in 2021, Wallonia was hit by floods that cost 5 billion euros, much of which will be borne by the public sector. So climate change and its impacts cannot be excluded from our economic models. If you look at the European economy as a whole, we need new models that can pre-empt and prevent those kinds of shocks.

The Beyond Growth conference is an exercise of collective thought. What we are trying to do is make progress on the thinking around the systemic implications and try to integrate that new complexity into how we think about Europe's economy and European societies.

This conversation is part of an interview series led by the Green European Journal and EU Observer as media partners of the European Parliament's Beyond Growth 2023 Conference.

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- **PAOLO GENTILONI** has been European Commissioner for the Economy since 2019. He is a former Prime Minister and Foreign Minister of Italy.
- JAMIE KENDRICK is the editor-in-chief of the Green European Journal.



Eleventh Hour Climate Action: In Defence of Protest



BEN SNELSON

he vote. The weekend. Paid holidays. Paid sick leave. Publicly funded healthcare and schooling. The right to free assembly and to go on strike.

Such rights might sometimes be considered permanent and inalienable. But it's worth remembering they've neither always existed, nor are they guaranteed in perpetuity. Indeed, most of them have been won through the determination and solidarity of people united in protest. But what do we mean by protest, why is it so relevant for addressing the climate and biodiversity crises, and why is it at stake today? In healthy democracies, peaceful protest is a fundamental cog in the wheel of politics. A means of expressing and empowering the voices of people and civil society, it is a vehicle through which to drive change on issues – be they social, economic, or environmental – that affect us all. When those in power choose to bypass and act against the interests of the very people they are supposed to represent, protest is drawn upon as a vital instrument of popular leverage to vent dissatisfaction with, correct the errors of, or demand action from, policymakers.

As anyone who has taken part in a public demonstration will know, protest is often characterised

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In healthy democracies, peaceful protest is a fundamental cog in the wheel of politics. by noise, creativity, humour, music, physical occupation of space, and a sense of collective wellbeing. Indeed, large – and smallscale protests can all serve as invaluable reminders of the immense power of cohesive society and of our close connection with total strangers assembled around a common rejection of the status quo and a shared desire to change things for the better. Together, we are infinitely more than the sum of our parts.

Climate action needed

In line with the ever-growing scale of the climate and biodiversity crises, people are increasingly alive to the consequences of this existential threat – and of the urgent need for real action to mitigate it. Evidence of climate catastrophe surrounds us. Indeed, for hundreds of millions of people, particularly in the Global South, but increasingly also in Europe, violent climate-related disasters such as extreme wildfires, droughts, floods and hurricanes are becoming punishingly frequent. By 2050, more than one billion people may be forced to leave their homes due to climate change.

In 2015, a sense of hope on climate action was awakened by historic commitments made at the Paris Climate Conference, a landmark summit at which the world's governments pledged major reductions in emissions to limit global heating to 1.5 degrees in an effort to prevent irreversible climate and biodiversity collapse.

Yet, despite the fanfare and self-congratulation that marked that momentous occasion, eight years on action still falls woefully short of the promises made. With the dawning realisation that the Paris Agreement was a masterclass in hot air, and that governments were not implementing the necessary policies to honour environmental commitments, people turned to Plan B.

Plan B was centred on the grassroots organisation and mobilisation of local communities, which led to a series of movements across the world no longer requesting, but rather insisting on, government action commensurate with the scale of the crisis.

This sea-change was vividly embodied by Fridays for Future (FFF) and Extinction Rebellion (XR) – organisations identifiable for their innovative, inclusive, peaceful, direct, no-nonsense approach to sounding the alarm and demanding action on climate breakdown. Buoyed by mass popular support, their activities snowballed across Europe and the world, with city centres and country towns alike becoming public theatres for major demonstrations.

The FFF movement, powered by children skipping school every Friday, emphasises the irrelevance of education if those in power disregard scientific evidence and ignore expert counsel on the urgent need for action. Founded in 2018 by then-solo activist Greta Thunberg, the movement – backed by teachers¹, academics², parents and grandparents has established national chapters across the world. This growth has spawned new youth leadership, for instance in Vanessa Nakate in Uganda and Disha Ravi in India - two among many who have campaigned tirelessly to elevate awareness of the climate emergency, and have given relatable meaning to alarming statistics with real human stories. In 2019, FFF led a 'Global Climate Strike' – the first ever truly worldwide protest. This coordinated action involved four million people³ joining demonstrations in 163 countries across all seven continents. One of the greatest achievements of the millions of children fuelling the FFF movement has been their ability, despite their young age, to inspire older generations to rally to their cause.

Extinction Rebellion – following its success in raising awareness and mainstreaming the discussion on climate change in the UK (by forcing the media to address something it could no longer ignore) – has amassed 1,265 local chapters across 79 countries⁴. In the same way that FFF has produced new young leaders, XR has also provided a platform for such talent, for instance in South African Othembele Dyantyi who at age 11 was already an inspiration for pan-African youth activism.

Far from being organisations driven by fringe self-interest, FFF and XR have demonstrated the importance and power of protest in opening fora for public participation on environmental issues and holding governments to account on their own climate promises.

Fox in the henhouse

The UNFCCC's annual Conference of the Parties (COP) reunions dedicated to discussions on climate change should inspire not only hope, but real action. Attended by virtually all of the world's governments, the most influential companies on the planet, and an army of grassroots and civil society organisations, COP's potential to deliver meaningful and lasting solutions is unmatched. But unfortunately, given an alarming lack of political will and leadership among the most powerful, this unique potential faces endemic obstruction.

The main global, publicly funded institution devoted to climate action has become an unabashed forum for pontification, standing ovations, ribbon-cutting and handshakes. A growing body of evidence also indicates that it's being used by private sector entities to advance extensive greenwashing. Indeed, given the high number of fossil fuel lobbyists present at COP events, some are giving a new meaning to the acronym: Conference of Polluters.

For illustration, the vast majority of the COP27 (Egypt, 2022) sponsors had direct ties to fossil fuels⁵ – the greatest greenhouse gas-emitting industry. Coca-Cola⁶, the "world's top polluter"⁷ was a key sponsor for the same event. Emboldened by this low bar, in a perverse and almost surreal turn, the UAE has nominated its main state oil company⁸ to lead the COP28 summit this year. The World Health Organisation doesn't consult the views of Big Tobacco to inform its operations – for obvious reasons. So why should the climate-wrecking fossil fuel industry wield such influence over the UNFCCC? Is it unreasonable to suggest that this is a screaming contradiction?

Greenwashing has become ingrained across the private sector, now constituting a cornerstone of business and marketing strategies that capitalise on people's environmental concerns. This is shown by ubiquitous misleading – and often simply untrue – claims plastered across food and consumer goods⁹. In the absence of effective regulation, baseless green claims¹⁰ are running rampant.

While greenwashing is the prevailing modus operandi of the private sector, in the public realm too, many policymakers keen to appear serious on climate subscribe to a similar strategy: 'citizenwashing'¹¹. When we hear our leaders or public officials declaring that "citizens have been consulted, and…", "the citizens have spoken", and "what citizens want is...", we should be careful. While of course not always the case, these sweeping assertions may sometimes ignore the inconvenient reality that engagement with these "citizens" has been late in the process, superficial at best, or purely symbolic.

Without the corresponding action to match leaders' words, and with major polluters usurping institutions specifically created to address climate change, it should come as no surprise that many people's faith in existing architecture for climate diplomacy is fading, and patience is wearing thin.

Right to protest threatened

People can influence political and policymaking processes in various ways. On the environment, this might be through signing petitions, writing letters to policymakers, supporting social media campaigns, engaging in open debates, giving press and media interviews, or contributing to public consultations. These are fundamental tools that can facilitate citizens' involvement in making decisions on serious issues that affect us all. Indeed. the international Aarhus Convention¹² – signed by 46 parties including all EU member states and the EU itself - stipulates the right of all individuals to access information regarding the environment, as well as promoting public participation in environmental decision-making, and offering public recourse to accessing justice when governments fail to ensure it.

But what happens when civil engagement initiatives – to which concerned people devote significant time and effort, mostly on an unpaid basis – amount to nothing, or are ignored by those in power? In these scenarios, with all conventional avenues of informing policy exhausted, people are left with a 'last resort': protest.

Citizens' rights to safe assembly, association, and freedom of expression are protected in international charters and European jurisprudence, including the Universal Declaration of Human Rights (Article 20), the European Convention of Human Rights (Article 11) and the EU Charter of Fundamental Rights (Article 12). Indeed, there are many instances where, when these rights have been infringed upon by European governments, the European Court of Human Rights has upheld them, often leading to stronger protections¹³ within national legislation.

Whether or not you support the means employed by XR, Just Stop Oil, Last Generation and similar organisations, one can only accept that their actions have had far-reaching effects in igniting a widespread public conversation on the climate emergency, and the action it demands. However, given their embrace of direct action, they have also contributed to a hardening of political attitudes which, in turn, has led to repressive legislation and rendered much public protest unlawful.

But one thing is clear: law is not to be equated with justice¹⁴. When discussing activism outside the law, let's remember that Emmeline Pankhurst, Sophie Scholl, Rosa Parks, Mahatma Gandhi, Nelson Mandela and Martin Luther King Jr. – to name a few – sit among many who engaged in civil disobedience, but who are rightly honoured in the canon of history for resisting systemic injustice. While campaigns based around civil disobedience often differ, they are inherently bound by one connecting thread: the pursuit of justice.

The hard-won and long-held right to protest is under attack¹⁵ the world over. To take one example, in the United Kingdom – a country with a well-worn history of popular demonstration – the government has passed, among other legislation designed to corrode the civic space, the 'Police, Crime and Sentencing Bill'. This bill outlaws public protest considered a "nuisance", while extending unprecedented powers to law enforcement¹⁶ officers to decide for themselves what they deem to constitute such "nuisance". Civil injunctions sought by private enterprises, including across the fossil fuel sector¹⁷, are also rising in the face of increasingly effective disruption triggered by environmental protest.

But the UK's case is symptomatic of a global trend in democratic backsliding. This is seen in the vilification of environmental activism across Europe. In Germany, climate activists have been put in preventive detention using an anti-terrorism law. In France, discourse used against environmental activists has also become ever-more extreme, with "eco-terrorists"¹⁸ – a term first heard by a government official – now regularly parroted in media debate on climate. Similar language is on the rise elsewhere too, as increasingly authoritarian governments and powerful enterprises seek to intimidate and silence environmental defenders by branding them "enemies of the state"¹⁹.

But the criminalisation of environmental activists has given rise to ever more sophisticated legal arguments, where those in the dock use litigation²⁰ - or "movement lawyering"²¹ - to resist executive overreach and exercise freedom of speech. This involves the exploration of legal justification for acts of civil disobedience, where the accused claim the legal defence of climate necessity²². So while law and justice should not be conflated, the need for justice through the questioning of the law and its application is growing in frequency – and often bearing fruit. Solidarity with environmental activists and the wider climate cause is increasingly demonstrated by legal practitioners as well. In the UK, 120 leading barristers have breached bar rules by vowing not to prosecute peaceful protesters and to withhold their services from new fossil fuel projects²³. The justification being that current application of the law overwhelmingly favours the fossil fuel industry while disregarding threats posed by that industry to people's lives, livelihoods and property.

An independent judiciary, now under real threat across the world²⁴, has proven its importance in other ways too – notably in acting as a check on executive power, and upholding government accountability. In the UK²⁵, France²⁶, the Netherlands²⁷, Belgium²⁸ and Germany²⁹, people have literally taken governments to court for climate inaction – and won! A fundamental pillar of democratic integrity, the independence of our courts must be safeguarded.

The bigger picture

Global environmental struggles are inherently connected, so what is out of sight must not be out of mind; our ambition to act on climate must be comprehensive and unified. Though the current scale and importance of environmental protest might appear relatively new to many of us in the 'industrialised Global North', for millions – particularly in the Global South – the need to defend nature has long been indivisibly tied to the struggle for existence.

In this age of 'Great Acceleration', as the world's population burgeons, current levels of natural resource consumption far outstrip Earth's capacity to satisfy it. But there are alternative models not driven by insatiable extractivism that would allow us to meet the needs of growing populations while still remaining within the inherent physical limits of a planet with finite resources. This model is neatly captured by 'Doughnut economics'³⁰, which emphasises the need to abandon our incessant and unsustainable focus on GDP 'growth', and instead embrace new 'postgrowth' metrics that consider human and social wellbeing, as well as the biophysical boundaries of our Earth. courageous resistance that ensures the natural world lives to fight another day³⁵. They need and deserve our support.

Taking a stance on climate action

As a body founded on democracy and the rule of law – and keen to be perceived as a champion of such principles – the EU must reverse the decline in public participation³⁶ to avoid warranted accusations of hypocrisy on democratic standards and environmental justice³⁷. This can be done most effectively by following the clear provisions laid out in the Aarhus Convention and by developing environmental democracy and upholding communities' Right to Say No³⁸.

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The EU must reverse the decline in public participation to avoid warranted accusations of hypocrisy on democratic standards and environmental justice. Our collective environmental goals can only be achieved by working together. That means involving people through inclusive and accessible participatory processes in line with the UN's Sustainable Development Goals (Goal 16).

If governments and policymakers are serious about climate, and if they'd appreciate fewer disruptive protests, the solution is

The rate of natural resource consumption by the EU is so vast that 2.8 Earths³¹ would be required to extend it to all the people in the world. As deforestation and polluting extractivism³² continue apace, those bearing the brunt are marginalised, often Indigenous communities³³. It is these increasingly frequent face-downs that demonstrate how intimately connected environmental and human rights are. With many living in natural spaces targeted by unscrupulous and bullish industry (whose destructive activities routinely violate international environmental and human rights law), Indigenous people and other marginalised communities such as rural landworkers are the first, and often final, line of defence. In the last decade, over 1,700 people have been killed³⁴ defending their land and the environment from violent extractivism. It is their simple: commit resources to the policies necessary to facilitate equitable and inclusive participation. The movements mentioned above have been clear on their calls: open the door sincerely to, and implement the rational demands of, NGOs, civil society and grassroots groups that represent the interests of ordinary people and the environment. We deserve nothing less.

But until such time, protests will continue, and we will support them. The EEB stands with those protesting on environmental and human rights issues, here in Europe and beyond. We stand with Indigenous defenders of our natural world. We stand with peaceful protesters behind bars. And we stand with those facing prosecution for expressing the truth about the state of our environment. Collective resistance is power. We've seen time and again when, against all the odds, environmental campaigners have won for us all: the halting of plans for the Conga copper mine following unrelenting resistance by locals (Peru, 2016); the 'Brave Women of Kruščica'³⁹ who, following a 500-day long protest, blocked the construction of new hydropower dams along the Kruščica river (Bosnia & Herzegovina, 2017); Nemonte Nenguimo's historic legal victory to protect 500,000 acres of Amazonian rainforest from oil extraction (Ecuador, 2019): the cancellation of the XL Keystone oil pipeline following immense resistance from Indigenous communities (Canada, 2021); a community-led campaign to close a major fishmeal plant polluting coastal waters (The Gambia, 2021); class action brought by citizens of Jakarta leading to a District Court ordering the President and government to take action on air quality (Indonesia, 2021), and the weeks-long mass protest by environmental groups that forced the cancellation of a \$2.4 billion lithium mine project (Serbia, 2022). And that's just the tip of the iceberg.

United we win, for our planet, and the future of all life on it.

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Time for a Fossil Fuel Non-Proliferation Treaty



ALEXANDER SJÖBERG – PHOTO: @SSNC

ast year, on April 6, 2022, the European Parliament and Council adopted the 8th Environmental Action Programme proposed by the European Commission. In the decision¹, the need for a fundamental shift was recognized: "Systemic change entails a fundamental, transformative and cross-cutting form of change that implies major shifts and reorientation in system goals, incentives, technologies, social practices and norms, as well as in knowledge systems and governance approaches."

The decision above should have massive implications on European policymaking, but it also confirms what we already know: sustainability must be placed at the core of all policymaking.

At 1.2°C warming², the world is on a trajectory to produce more than twice as much coal, oil and gas by 2030 than is consistent with limiting the rise in global temperature to below 1.5°C. According to the UNEP Production Gap report, global total fossil fuel production needs to decrease by at least 6% per year between 2020 and 2030 to be able to limit warming to below 1.5°C.³

One way to achieve the shift to a decarbonized economy is the Fossil Fuel Non-Proliferation Treaty,

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By capping the supply, demand for renewables will increase, leading to a transition to a low-carbon economy. or FFNPT. It is different from other climate agreements in that it focuses on supply-side measures rather than demand-side policies such as carbon pricing or subsidies for renewable energy. If endorsed by European countries, it would bind nations to limit the production, consumption, and trade of fossil fuels and guide the transition to renewable energy sources. The logic is simple. By capping the supply, demand for renewables will increase, leading to a transition to a low-carbon economy. The FFNPT is about tackling the problem at its source.

Managing to phase out fossil fuels that have powered our economy for over a century implies nothing else but entering a new paradigm. And this is exactly what the European Parliament and Council's decision above entails: a fundamental, transformative, and cross-cutting form of change that implies major shifts and reorientations in system goals.

There are several mechanisms needed to achieve this.

- Non-proliferation To prevent the proliferation of coal, oil and gas by ending all new exploration and production
- A Fair Phase-Out To phase out fossil fuel subsidies and existing production in line with the 1.5°C target
- A Just Transition To fast-track real solutions and a just transition for every worker, community and country

The FFNPT calls for systemic change and action grounded in justice, equity, and sustainability, not profitability and vested interests.

Over the years, incremental policy changes and market-based incentives such as carbon pricing and emissions trading have gained political support. The EU managed to exceed its emissions reduction target for 2020⁴. However, the assumption that climate neutrality can be achieved solely by setting the right price of carbon is a simplified solution to a complex problem. Getting Europe on track to the 1,5°C target is not a question about price – it is about addressing the root causes of our emissions, the continued production and consumption of fossil fuels.

But decarbonization also needs to be fair and equitable. Market-based solutions have had a disproportionately negative impact on low-income earners and communities without the resources to adapt. By endorsing the FFNPT, European countries can champion the transition and demonstrate their commitment to ensuring that climate action requires equity and a just distribution of costs and benefits.

The Fossil Fuel Non-Proliferation Treaty⁵ has generated significant interest and is currently endorsed by

- 2 nation states,
- 70 cities and subnational governments,
- 101 Nobel laureates,
- 1800 civil society organisations,
- 3000 scientists and academics, and almost
- 600 000 individuals

It offers an alternative way forward, from the slow, incremental change of market-based solutions to a systems wide, just transition towards a decarbonized economy. Who might be better equipped to lead the way, than the European Union?

The Swedish Society for Nature Conservation (SSNC) is Sweden's largest environmental organization. Since 1909, we have been involved in saving the peregrine falcon, created nature reserves, contributed to the boom in ecological products and influenced important political decisions, including with regards to climate change. We disseminate knowledge, shape public opinion and influence decision-makers - locally, nationally and globally. By supporting and collaborating with the global environmental movement, the SSNC contributes to increased participation and impact regarding issues related to sustainable development in local and global development processes. Climate, forests, agriculture, environmental pollutants, water, oceans and sustainable consumption make up our most important focus areas. Bra Miljöval (Good Environmental Choice) is our ecolabel and Sveriges Natur (Swedish Nature) is our membership magazine.

With almost a quarter of a million members, a local association in almost every single Swedish municipality and dedicated and enthusiastic members, we are in a good position to continue making a real difference for nature and the environment. Together, we can have an impact locally, regionally, nationally and globally.

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Cap and Share: A Proposal for Achieving a Fair Fossil Fuel Phase-out



CAROLINE WHYTE

s implied in the previous article on the fossil fuel non-proliferation treaty, we need to cap and phase out the fossil fuel supply in order to guarantee sufficient CO₂ emissions reductions worldwide by 2050.

Cap and Share¹ is a framework for fossil fuel phase-out and climate justice. It could therefore help achieve the objectives of the Fossil Fuel Non-Proliferation Treaty.

Cap and Share takes an "upstream" approach to capping fossil fuels. The cap operates by requiring the fossil fuel suppliers to buy permits. The number of available permits would diminish over time, which would ensure that fossil fuel production would also diminish, thus guaranteeing reductions in emissions from fossil fuel use throughout the economy.

How is Cap and Share different from carbon taxation?

Carbon taxation, when based on price alone with no direct regulation of the fossil fuel supply, relies

heavily on market forces to bring about the energy transition. But, as suggested in the previous article, real-world evidence indicates that it is extremely difficult, if not impossible, to determine the "correct" level of tax that will achieve a substantial enough reduction of actual greenhouse gas emissions². The wealthiest 10 percent of the global population consumes 20 times as much final energy as the bottom 10 percent³, and the wealthy are the very people who are least sensitive to price increases.

In addition – as environmental justice advocates point out – stand-alone carbon taxation programmes, or "Cap and Trade" programmes can also exacerbate "hotspots" of fossil-fuel pollution", which tend to particularly affect low-income communities and communities of colour⁵.

On the other hand, a cap and phase-out of the fossil fuel supply would absolutely guarantee the badly needed substantive cuts in emissions from fossil fuels, while hotspots can be prevented by including requirements on the monitoring and reduction of co-pollutants when imposing the cap⁶.

But Cap and Share still puts a price on carbon, doesn't it? Won't that hurt the poor?

Yes, it creates a carbon price – and no, it won't hurt the poor. This brings us to the Share.

Fossil fuel suppliers would have to pay a fee for their permits under the cap. This fee has an important social purpose, since the proceeds would form the Share.

If the revenue from the permits is distributed on a per-capita basis⁷, this will ensure that those who use more than the average amount of fossil fuels will be obliged to compensate everyone else, with

That sounds nice, but how could such a thing possibly be implemented in the real world?

The mechanics of a Cap and Share system would not be hard to implement. Both the permit-allocation system required for imposing the cap¹¹, and the distribution of the share¹², can draw on abundant research and experience.

An initial partnership could be formed between the EU and a bloc of low-income countries in order to kick-start the process. This could then be expanded to include other countries¹³. The system could be administered by a Global Climate Commons Trust, which would administer the permit system and

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Yes, it creates a carbon price – and no, it won't hurt the poor. This brings us to the Share. the distribution of the proceeds from the permit sales. The Trust's activity would be overseen by a group of trustees from around the world, who could be chosen through a process similar to that used for the recent Global Citizens' Assembly¹⁴.

To make Cap and Share happen, we need public awareness that such a sys-

no loopholes – supporting the 'polluter pays' principle – while those whose emissions are lower than average will benefit financially⁸. So even though the fossil fuel suppliers would raise their prices to cover the costs of buying permits, the overall effect on wealth distribution will be progressive⁹. In layperson's language: the poor will be the winners of the transaction.

The Cap and Share, or Cap and Dividend, model has been proposed at the national level, but since the climate is global and knows no borders – and since there are vast disparities in carbon footprints around the world – a strong case can be made for scaling the shares to the global level¹⁰. This would enable them to support international climate justice and contribute significantly to poverty reduction in lower-income countries. The world would not only become more stable in climate terms, but also considerably fairer.

tem is possible, and allies to join us in advocating for this bold vision. As Einstein knew: "imagination is more important than knowledge". For more information on how you or your organisation could get involved, contact us at info@feasta.org.

Feasta, the Foundation for the Economics of Sustainability, is an ecological economics think tank, based in Ireland and with international membership. 'Feasta' is the Irish word for 'henceforth'. Our aims are to identify the characteristics (economic, cultural and environmental) of a truly sustainable society, articulate how the necessary transition can be effected and promote the implementation of the measures required for this purpose.

Feasta is a member of the Irish Environmental Network, the Environmental Pillar, Stop Climate Chaos, the European Environmental Bureau and the global Wellbeing Economy Alliance, and a partner of the International Movement for Monetary Reform.

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Green Supremacy: When Far-Right Politics Co-opt Environmentalism



MARGUERITE CULOT & DIEGO MARIN

As the effects of climate change become increasingly difficult to ignore, some factions of the far-right are acknowledging the severity of a warming climate. With mainstream policies proving inadequate in addressing the challenges posed by a warming planet, people may become frustrated and feel powerless, potentially leading to a shift towards harmful ideologies and actions. The environmental crisis is continuing to approach a point of ecological collapse. Six of the nine planetary boundaries have already been crossed (of the remaining three, two still need to be quantified).¹ As the impacts unfold, some individuals, including those in positions of power, are trying to shift blame for ecological effects onto those who often lack agency and resources, further amplifying inequalities and escalating violence.

In May 2022, an 18-year-old white male armed with a weapon, shot at 13 individuals in a supermarket located in a primarily Black neighbourhood in Buffalo, New York. Eleven of the victims were Black. The US Justice Department investigated the case as a hate crime and an act of "racially motivated violent extremism."² A few years before, near the US-Mexico border in El Paso, Texas, a 21-year-old white male opened fire in a crowd "to kill Mexicans."³ That same year in Christchurch, New Zealand, another white male gunned down 51 Muslim worshippers at two separate mosques. Among the manifestos of all of these perpetrators, a common theme emerged – the seeming concern for the degradation of the environment, mass migration and the need to restore the "natural order."⁴

According to Federico Finchelstein, "fascism is many things" but can be characterised by four elements.⁵ It is 1) dictatorial, 2) enmeshed in violence and the militarisation of politics, 3) rooted in the politics of hatred, racism, antisemitism and the extreme demonisation of others, and 4) based on misinformation and the distortion of reality. Although Italy's new PM Giorgia Meloni denounced fascism in her inaugural speech,⁶ she has joined a wave of political parties that closely interconnect with (neo)-fascist ideology.7 Viktor Orbán has also been accused of using 'Nazi' rhetoric and pushing for anti-democracy policies.8 Additionally, anti-immigration agendas continue to spread, most recently in Sweden,⁹ and media freedom has been deemed problematic in many European countries, such as in Greece.10

One way in which the murders mentioned above and, more generally, fascism intersect with the environmental crisis is through eco-fascism. Ecofascism creates a twisted and corrupted view of environmentalism, where authoritarianism, nationalism, and racial purity become primary tools and solutions. Population control, eugenics, the forced relocation of certain groups from environmentally tied to individuals,¹¹ but it is also moving to political spaces where far right environmentalism has also been promoted at the wider political level by politicians such as Marine Le Pen.¹²

Eco-fascism recognizes the environmental crisis but prefers to focus on demographic arguments propagating coercive and discriminatory population control targeted at communities which contribute little to the environmental crises, rather than addressing the mismanagement of resources and the extreme inequalities in resource consumption. Indeed, ecofascists focus on the argument that there are too many people on the planet to both avoid environmental stress and meet everyone's needs. There are multiple reasons why this simplistic argument is flawed.

These arguments largely ignore that the global food system has the capacity to feed an astonishing 10 billion people, according to the United Nations.¹³ However, this figure is undermined by two major issues that plague the system. Firstly, approximately one-third of all food produced is lost or wasted, leading to unnecessary strain on resources and contributing to global hunger. Secondly, the consumption patterns of affluent countries exacerbate the problem by favouring high-impact foods like meat. These practices not only put undue pres-

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Eco-fascism recognizes the environmental crisis but prefers to focus on demographic arguments propagating coercive and discriminatory population control sure on the environment but also compromise the food security of vulnerable populations. The current (and sometimes planned) mismanagement of resources creates the illusion of resource scarcity and although there is a correlation between population growth and environmental stress, it is not a direct causal relationship. If we take a look at consumption rates, high income countries such as most member states of the European

sensitive areas, and framing racialized people as threats to the environment are all deemed acceptable. Eco-fascism or green nationalism is not solely Union, United States, Canada, or Japan consume 60% more than the upper-middle-income countries and 13 times more than the low-income groups.¹⁴ Even if the population growth were to peak lower and sooner than expected,¹⁵ the environmental crisis can only be addressed and solved by tackling overconsumption and extreme inequalities.

What follows from the ecofascist argument above is also self-contradictory. Far-right voices concerned by Western Europe having the lowest total fertility rate and asking for measures to incentivise women to have more children, often also advocate for discriminatory forms of population control of specific social groups. As Sophia Siddiqui explains, while the far right in Europe incentivises 'native' women's reproductive capacities for nationalist ends, other social groups are experiencing a rollback in reproductive rights and are being depicted as demographic threats.¹⁶ For example, in Hungary, newly nationalised IVF clinics offer free treatment only to married, heterosexual couples. Roma women have been subject to forced sterilisation in the Czech Republic and Slovakia.¹⁷ Political parties like the French National Rally and the Alternative for Germany have defined themselves around the idea that European civilization is threatened by immigration as well as fears of a growing Muslim birth rate.18

It is not that the birth rate is falling that raises alarms for green nationalists, but rather whose birth rates are falling, i.e. that of white Europeans. If population growth was truly the principal worry, easy and free access for all to contraception and abortion rights would be protected. Similarly, if the environmental crisis were truly the focus, proposed policies would tackle environmental causes of infertility, the fact that high-income countries and high-income groups have the highest carbon footprints,¹⁹ and that 20 fossil fuel companies alone represent one-third of greenhouse gas emissions.²⁰ Lastly, if people's needs and the protection of (unborn) children were really the concern, then child refugees would not die at Europe's borders.

Due to a lack of finance for climate mitigation and adaptation as well as historical exploitation, countries in the Global South are particularly vulnerable to the impacts of climate change.²¹ People are forced to leave their homes and communities due to environmental factors that have made their living conditions uninhabitable. These

environmental factors can include climate change, natural disasters such as floods, hurricanes, and wildfires, and other environmental problems such as soil degradation, desertification, and water scarcity. Already today, people are twice as likely to be forced to leave their homes because of climate extremes than because of conflict. A report by the World Bank indicates that there may be over 216 million internally displaced climate migrants by 2050.²² While this number may cause alarm from green nationalists fearing that the EU will become the primary destination for migrants, it's important to note that 69 percent of refugees and other people in need of international protection live in countries neighbouring their countries of origin.23 Before the Russian invasion of Ukraine, only one European country was included in the top 10 list of host countries.²⁴ The countries with the highest refugee populations, such as Bangladesh, Pakistan, and Sudan, are also the same countries that will be most impacted by a changing climate. The alarmist narrative that often dominates the public debate in Europe hides the truth that it is poorer and more vulnerable countries that bear the burden of climate-change-induced migration.

By linking environmental decline to population without questioning the distribution of resources or even power dynamics between the Global North and Global South, green nationalists frame immigration control as environmental protection, or ecobordering.²⁵ Green nationalists believe climate migrants pose a threat to their environment and must be kept out at all costs. They view migration as a threat to the "natural order" and support "Fortress Europe" policies that build walls and militarise borders. This reinforces dangerous eco-fascist ideology and leads to increased military spending. Already today, wealthy nations spend two times more on arming their borders than they spent on climate action.²⁶

The budget for security and defence purposes in the 2021-27 Multiannual Financial Framework (MFF) more than doubles the previous budget. The MFF was decided long before the Russian invasion. The largest budgetary increase can be seen in the European Defence Fund, with a massive funding increase of 1256 percent.²⁷ The Internal Security Fund's budget will increase by 90% to €1.9 billion and the funds for agencies such as Frontex, will increase by 129 percent to €9.6 billion, raising concerns for human rights.²⁸

work-time reduction, radical democracy, and solidarity with the Global South, it allows people to be more politically active and breaks down the silos

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The emphasis on border fortification and military spending diverts resources away from addressing the root causes of climate migration, such as environmental degradation and the exploitation of natural resources. of social isolation that are caused by an overworked and politically uninvolved society. A society that falls deeper into precarity whenever crisis hits, caused by austeritv-driven policies. Given that future crises are inevitable, it is imperative that we begin constructing resilient societies capable of directing the frustrating energy of political inaction towards more productive avenues. This process, however, must begin with a shift in the dominant narrative. It is

The emphasis on border fortification and military spending diverts resources away from addressing the root causes of climate migration, such as environmental degradation and the exploitation of natural resources. This not only exacerbates the problem of climate migration but also perpetuates the inequalities and power imbalances that led to it in the first place. What is needed is to recognize the complexity of the climate crisis and that this will require complex solutions.²⁹

Cassidy Thomas argues that far-right ideologies such as eco-fascism attract young people because they have grown up with climate change but see that governments have failed to tackle the crisis properly.³⁰ According to Thomas, eco-fascist narratives can provide people with a "sense of purpose" and a "call to action," albeit towards harmful solutions. This is where more socially desirable narratives are needed. The concept of degrowth, which seeks to move towards a global wellbeing economy based on an economic model that puts an end to infinite economic growth in high-income societies, can present a hopeful alternative to ecofacism.

Degrowth is an interesting movement because it directly targets the root causes of the environmental crises. Through its policy initiatives on crucial that the debate on eco-fascism be given further attention, including during the Beyond Growth Conference, as it has the potential to transform rising tensions into constructive channels and solidarity with those most affected.

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The Need for Degrowth Discussions in the Global South: Evidences from India



BROTOTI ROY

ince at least the first Post-Growth Conference held in Brussels in September 2018, the willingness within the European policy spheres to at least seriously discuss the various strategies to end the focus on economic growth and move towards positive postgrowth visions has been growing. However, the narrative in the Global South continues to largely remain hegemonic about growth and development ideals. Degrowth is often outright rejected from the start of a conversation due to being misunderstood. Degrowth stands for repoliticizing the debate on socio-ecological equity and justice by putting social and environmental wellbeing at the centre of economic decision-making. It calls for a different kind of society, not less of the current one.

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How can we even think of moving away from growth when there are such high levels of unemployment and poverty prevalent in the Global South? The questions are right, but growth as an answer is just wrong. However, even after this first misunderstanding is clarified, there are still two primary claims that are always put forward: the twin issues of increasing employment and reducing poverty. The dominant narrative against any discussion on ending the growth dependency in the Global South is: how can we even think of moving away from growth when there are such high levels of unemployment and poverty prevalent in the Global South? The questions are right, but growth as an answer is just wrong.

The myths: Multidimensional Inequality and Jobless Growth

The way to debunk these claims is to turn the question around. I will be debunking those claims in the Indian context. Once we start to look critically at how many jobs have been created and how much poverty has been reduced by GDP growth, a different picture of the country emerges, making a clear pathway for serious degrowth discussions.

Rise in Multidimensional Inequality

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In February 2018, Oxfam India published the India Inequality Report 2018, titled Widening Gaps¹, with a detailed description of the rise in inequality in India. It contested the claim that India is a low-inequality country by international standards. By providing information via primary surveys as well as secondary data, it proved that overall trends in consumption, expenditure, income, and wealth make India among the most unequal in the world. In fact, case for multidimensional inequality. The report highlighted that it is important to question how the gains from growth are distributed across geographies and among the most vulnerable sections of society.

The Global South is not a homogenous society. The elites of the Global South do not live much differently from those in the Global North. The interiors of a luxury shopping mall, be it in Delhi, Dubai, Durham, or Dublin, all look quite similar. Hence the narrative that the South needs to grow without being concerned about how the gains from this growth will be distributed must always be challenged. And once we begin to challenge it, it won't be hard to see how the growth narrative has never focused on equal and just distribution among all classes of society. Thus, making the case for degrowth in the Global South, which urges to move away from the growth dependency and focus on prosperity and wellbeing for all.

And these discussions are already taking place in different forms. In January 2023, Oxfam published a report called Survival of the Richest², which stated that an estimated 80% of Indian citizens

are in favour of increasing taxes on the rich. Similar estimates were found in other regions of the Global South.

The Jobless Growth Syndrome

One of the main concerns of the current government in India is the many claims

cannot be relied upon as a silver bullet.

All this further emphasised how growth

not only are they high, but the levels of inequality have also been rising over the last three decades.

The broad picture that emerged was that inequality has increased since 1991. It is important to note that 1991 was the year that economic liberal reforms were adopted, opening the market for more growth-centric policies in India. In 2021, the richest 1 percent of Indians owned approximately 41 percent of total wealth. However, it goes beyond wealth and into access to basic amenities such as health, education, nutrition, etc., turning it into a and reports that highlight the lack of growth in the country.

In September 2018, the Centre for Sustainable Employment at Ajim Premji University in Bengaluru published the State of Working India 2018³ report as a collaborative effort between academics, journalists, policymakers, and activists. This report showed that despite high economic growth, the number of jobs created has been less than desirable. Currently, the ratio of employment growth to GDP growth is less than 0.1. There has been an increase in underemployment, unemployment, and informal employment. Not only this, but wage growth is also not keeping pace with productivity and economic growth, which is another cause for concern. The COVID-19 pandemic only made this worse, with the State of Working India 2021⁴ report, released in May 2021, showing that there has been a dire decline in earnings for a large sector of workers. This has led to a significant rise in poverty, with younger workers and women being disproportionately impacted.

All this further emphasised how growth cannot be relied upon as a silver bullet.

The Trickle-Down Effect

However, despite all the empirical evidence and staggering figures, the one argument always put forward is that of the trickle-down effect, or Kuznet's curve. Simply put, it means we shouldn't put hurdles on the path of growth, even if it creates massive inequalities, because growth will eventually trickle down. This was later also adopted for the environment in what came to be known as the Environmental Kuznet's curve, which says we shouldn't worry about a rise in environmental degradation because once the "adequate" amount of growth is reached, the environmental damages will stop as well. The current environmental urgency due to pressures on the planetary boundaries and the alarming climate change crisis has helped in this regard. Infinite growth on a finite planet is impossible, and the social and ecological harms caused by inequalities and degradation will be irreversible, with nothing left to trickle down.

Hence, although slowly, there is a definite interest in discussing postgrowth visions in the Global South. Already in 2014, in New Delhi, a two-day seminar, where about 140 people attended, was organised to debate growth, green growth, and degrowth in India. It was attended by researchers, activists, policymakers, and students to debate policy visions for the country. A book titled *Post Growth Thinking in India: Towards Sustainable Egalitarian Alternatives*, edited by Julien-Francois Gerber and Rajeswari Raina and published in 2018, elevated these discussions to a more prominent level. It has essays from eminent scholars, activists, and policymakers on postgrowth and degrowth visions for India. Last September in New Delhi, I participated in another such event titled *Post-/ De-growth or Reinventing Life: Prospects and Projects*⁵, a three-day workshop to think together on postgrowth visions in the Indian context.

Only time will tell whether degrowth could be a movement that the Global South is willing to adopt or form alliances with, but what is clear is that in some circles in India, it is seriously being considered as something worth discussing and debating about, since the problems of socio-ecological inequality and injustice are common globally. The dialogues in the European Parliament and the multiple focus groups that debated the different aspects of moving beyond growth will certainly provide a boost in carrying such debates forward in different geographies of the Global South.

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Geopolitics Beyond Growth



INTERVIEW BY RICHARD WOUTERS WITH GAYA HERRINGTON

The degrowth movement is rapidly gaining popularity in Europe. It advocates renouncing economic growth. But without growth, can we still stand up for our values and interests on the world stage? Richard Wouters asked sustainability expert Gaya Herrington about the geopolitical implications of an economic model without growth. Richard Wouters: You made headlines with a study that confirmed the message of the Club of Rome from 1972: we are nearing the limits to growth. What did your research entail?

Gaya Herrington: I checked the scenarios the authors of the report *The Limits to Growth* created at the time with their world model against recent data. That confirmed the 1972 scenarios. I have seen many models in my lifetime. I don't know of one that has proven so accurate decades later. The data are closest to the business-asusual scenario, in which we continue to pursue economic growth as the ultimate goal. Pollution and greenhouse gas emissions will cause ecosystem collapse in about 20 years from now. In this scenario of continued climate change, the global welfare level falls sharply.

We are furthest away from the stabilised world scenario, in which humanity stops pursuing economic growth, reduces its material footprint, and commits to improving healthcare, education and other public services, as well as clean technology. In that scenario, ecological breakdown is staved off. Right now, we are not moving in that direction, but the distance between this scenario and the data from reality can still be bridged. We can still avert collapse but it will be a bumpy ride because we have lingered too long for a gradual transition. What we do in the next 10 to 20 years will determine our level of prosperity for the rest of the century.

Proponents of green growth argue that technological innovations make it possible to reduce greenhouse gas emissions and other forms of pollution while growing gross domestic product.

You don't see that at all in the empirical evidence. It's just wishful thinking. You hardly see relative decoupling, where our ecological footprint grows less quickly than GDP. And you certainly don't see absolute decoupling, where that footprint shrinks while GDP grows. It is true that some countries are succeeding – slowly – in reducing greenhouse gas emissions while GDP grows, but other forms of pollution continue to increase while biodiversity declines. This is all the worse because we have been exceeding the boundaries of our planet's carrying capacity since the 1970s. unhappier because it fuels pollution and inequality. The policy agenda of the degrowth movement is very suitable for Europe.

My objection mainly concerns the term "degrowth". It reminds people of a recession, with unemployment and social unrest. We must take this fear seriously. I agree with the degrowthers that deliberate shrinkage of the economy sets in motion a more positive dynamic than not growing in a growth-oriented economy. But I fear that the term scares people so much that they no longer listen to that explanation. Therefore, I would rather let go of growth than actively degrow. An economy that focuses on human wellbeing and the protection of nature simply creates a more beautiful world. The best term for this is wellbeing economy. It provides an enticing perspective.

The countries of the EU bear the greatest historical responsibility for the climate crisis and the depletion of natural resources. They are also among the most affluent parts of the world. Is it likely that the EU will be the first to let go of economic growth?

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What we do in the next 10 to 20 years will determine our level of prosperity for the rest of the century. I think so. European politicians could very well be the first to realise that this is better for their citizens, that it prepares them for a new future. My research suggests that at some point in the next 20 years, growth will stop anyway. The choice then is: do we consciously let go of growth or is the end of growth being forced upon us because we col-

You do not believe in green growth, but at the same time you keep your distance from the degrowth movement. Why?

I am much closer to the degrowth camp than to that of green growth. But I want to emphasise that green growth is definitely useful for poor countries. There, growth still contributes directly to people's wellbeing. In Europe, this has long ceased to be the case – in fact, the drive for growth makes us lide with planetary boundaries? I hope politicians will understand that the second scenario causes much more instability.

I would like to draw politicians' attention to the phenomenon of downshifting. That's a term from neurology. It indicates that when people are under stress from issues such as imminent violence and resource scarcity, instincts take over. The systems thinking needed to implement deep reforms in the EU still has a chance now; it's less likely we'll be cool-headed enough for it a decade from now.

I live in the United States, and here it seems more difficult to make the transition to a wellbeing economy, because politics is much more polarised. There is a strong movement for more gender inclusion, but in some states abortion and LGBTIQ+ rights are being scrapped and sustainability standards for companies are being vigorously opposed.

Gender inclusion is the first step towards a wellbeing economy?

Yes. This has to do with the difference between two models of society: the domination society and the partnership society. The first model maintains order through strict hierarchies: male over female, straight over gay, human over nature. That order must be maintained by coercion and violence. Such a society is characterised by great inequalities and by a constant drive for economic and territorial expansion. The second model of society, that of partnership, is egalitarian and democratic. In such a society there is much more attention for the wellbeing of the community, for taking care of one another, for the conservation of nature. Throughout history you see that partnership societies cause less pollution, do not deplete their resources. They don't need economic growth or conquests to sustain themselves. Equality and gender inclusion are core elements of a sustainable wellbeing economy.

Here comes the geopolitical question: can a society based on partnership defend itself against a society that strives for domination?

In its pure form, such a partnership society cannot do that. It is not inclined to invest in defence. One of

the most famous Dutch lines of poetry, by Lucebert, applies here: "All things of value are defenceless." In the real world, countries with a partnership model will have to move a little towards the domination model. That is a shame, because investments in the armed forces are at the expense of natural resources, but unfortunately it is necessary. Still, it is important not to lose yourself in a warrior mentality. You must have a strong army, not to dominate, but to engage.

Domination versus partnership, which countries should we think of?

Domination and partnership are the two ends of a sliding scale. No country has only one or the other model. Russia is an example of a country closer to the domination model. In Bhutan, with its gross national happiness policy, in Costa Rica, an eco-economy without an army, and in New Zealand, which assigns rights to nature, you clearly recognise the partnership model. The same applies to the EU, although it varies per country.

Like degrowthers, you advocate high-quality public services as part of a wellbeing economy. These include social security, education and health care. In the EU, should we add defence and diplomacy to this list, now that the Russian attack on Ukraine has ended a long period of peace on our continent?

Yes, I think so. You and I will not live to see the day when military power is no longer necessary, I'm afraid. We should also put diplomacy on the list of essential public services, although it is of course more credible if a government carries a big stick. It's important to know when to fight and when not to. That is how I see the role of the EU:

> it should be a proud frontrunner of sustainability, always with the intention of working together, but able and willing to defend itself if necessary.

> In a society without economic growth that has to

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Equality and gender inclusion are core elements of a sustainable wellbeing economy.

maintain a strong armed force, there is even less room for private consumption.

Indeed. In addition, we need a buffer in case our ecological footprint increases due to calamities such as a health crises or military conflict. That is why our economy should become completely climate neutral. Nature's capacity to absorb carbon dioxide from the atmosphere then forms the buffer for emergencies.

In geopolitics, GDP is an important indicator of power. Will an EU without economic growth lose power?

That might have been the case in the past. But now we have to face the fact that growth will come to an end anyway, as said within 20 years. If the EU has transformed itself into a wellbeing economy by then, it will be stronger in the world. Countries that continue to chase growth while the ecosystem breaks down are heading for disruption.

Can declining economic power be compensated by other forms of power?

Social capital is a huge source of power. We see that today in Ukraine. The wartime resilience of Ukrainians has amazed everyone. Russian men often have to be forced into fighting because there is no big story they believe in. Ukrainians are in solidarity with each other, connected by a strong narrative about what they stand for and what they are fighting for. Many are willing to sacrifice their lives for it. A strong social fabric makes all the difference in times of crisis. And I think that a wellbeing economy that meets everyone's basic needs, a society where people feel that there is fair sharing and equal treatment, will reap social cohesion.

In contrast, societies in which coercion and violence predominate are often weaker than they appear. I sometimes compare the domination model with toxic masculinity: it looks very strong but it is as fragile as anything. The urge to expand causes shocks, of an ecological or other nature, and the resilience to absorb these shocks is lacking. A society based on domination will eventually collapse.

In EU and the Global South relations, the domination model can still be recognised. We source much of our energy and raw materials from poor countries, often at the expense of the people who live there. Can a wellbeing economy without growth put an end to this neo-colonial extractivism?

A Europe that focuses on wellbeing rather than growth can more easily reduce its dependence on imported energy and raw materials. The transition to solar and wind power can be accelerated if you need less energy. Circular solutions can meet the demand for materials faster if that demand stops growing. In this respect, abandoning economic growth has clear geopolitical advantages.

A postgrowth EU will see its share of global GDP decline even faster than it already is. Does such an EU need more allies in geopolitics?

An EU beyond growth can become more selective in its choice of allies. You don't want to be condemned to friendship with autocracies like Russia and Saudi Arabia because you depend on them for raw materials or energy. Good allies do make it easier to focus on wellbeing. One of the reasons why Costa Rica can develop into an eco-economy is the protection it enjoys from the US.

The EU also depends on the US, the strongest partner in NATO, for its security. We shelter under the American nuclear umbrella. Do you, as a resident of the US, think we can continue to count on this ally?

That is difficult to predict, because American politics is highly polarised nowadays. I am cautiously optimistic. Surveys show that the younger generation is losing faith in the current form of capitalism. They attach much more importance to fair sharing. If the US goes in that direction, it could be a relatively good ally for a postgrowth Europe.

This interview is part of the Green European Foundation's transnational project Geopolitics of a postgrowth Europe.

- **GAYA HERRINGTON** is a Dutch econometrician, sustainability researcher and women's rights activist. In 2021, her study *Update to Limits to Growth* made worldwide waves. In 2022, she published *Five Insights for Avoiding Global Collapse*.
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Shifting the Brussels Economy – A Doughnut Story



BARBARA TRACHTE

few months before the European Green Deal was published by Commission President Ursula Von der Leyen, the Brussels-Capital Region Government published its own climate roadmap, the "Brussels Green Deal", in a way, where the Government committed to put all its public policies at the service of its ambitious climate objectives.

Against this backdrop, I was honoured to become responsible for the economic portfolio, and I hastened to rename it the economic transition portfolio. By doing so, I wanted to signify the need for the Brussels economy to fundamentally transform itself so that it could become a partner in the coalition for ambitious climate goals rather than an obstacle.

But how do you do that? How do you transform a field that is so fundamentally entrenched with growth objectives based on the exploitation of environmental and human resources and embodied by the infamous Gross Domestic Product? How to make the outside world understand this willingness to change the paradigm? How do you do it in an appealing way? And how do we create enthusiasm and desire for transformation?

It's also approximately about that time when I learned about the Doughnut Economics theory by Oxford economist Kate Raworth and became really inspired. I started to dream about the potential of this concept for a territory such as the Brussels Region and how it could provide us with alternative economic instruments, which would help us embody the economic transition I knew was so desperately needed and make it tangible to Brussels economic actors.

Despite Covid, the stars aligned as a consortium made up of Brussels researchers and co-creation experts, as well as Kate Raworth and her crew, teamed up to downscale the doughnut at the Brussels region level.

Through this experience and the participation of more than 200 regional and local public administrations, as well as businesses, civil society, and citizens, we co-created several methodologies. By experimenting with these techniques, the Brussels economic operators got tools to apply the concept of Doughnut Economics at their scale, be it the public policies they draught and implement, the products they sell, or the economic choices they make and the way they interact with their ecosystem.

But the doughnut experience didn't only help us guide the others in their transformation; it also helped us advance and deepen the economic transition of the Brussels-Capital Region. It lent us the fundamentals upon which we could draught Shifting Economy, the Brussels regional strategy for the economic transition, by demonstrating that the ecological ceilings and the social foundationwhich are considered "negative externalities" by mainstream economists-represent in fact the base upon which the Brussels economy could thrive. Thanks to the Doughnut experience, we decided to anchor into Shifting Economy the notion of "social and environmental exemplarity" and to use it as the criteria that would define whether an economic activity could be financially supported by public money or not.

This is a huge paradigm shift in economic policies-in Brussels but also beyond. Should the European institutions adopt the notion of social and environmental exemplarity, many economic instruments and public policies could be reoriented to genuinely serve the objectives of the European Green Deal. Think about state aid and industrial policy for instance: at a time when the EU is searching for a better way of helping its industry cope with external challenges and to ensure that it follows the green way, opening the aid only to the environmental and social exemplary business models would give a clear signal to which business models are needed to reach the 2050 goal of net zero. This doesn't need a treaty change or a big revolution. This only requires the will to clearly identify the economic activities that will be helpful in the transition and to be ambitious about them.

At the Brussels level, to this date, we keep unrolling the doughnut because we want to raise awareness among all the economic actors about their need to shift from doing nothing or "doing less harm" to "doing truly good" for the planet and its people. We are indeed convinced that it is only if we can count on the action and goodwill of ALL that our impact will be sufficient to reach the objective of thriving within a decarbonized, regenerative, circular, and inclusive economy. We will not transition with a few frontrunners. We will succeed with everybody united around a common objective.

To the sceptics, we are not saying that growth is passé. We would rather emphasise what needs to be done to prosper within the "dough" of the doughnut, or, in other words, what should be done to prosper within an ecologically safe and socially just space. I believe a good place to start is to work on social and environmental exemplarity. And I hope you will join us!

BARBARA TRACHTE is Brussels Secretary of State for the Economic Transition and Scientific Research. Her policy is resolutely focused on the economic transition, with a view to aligning economic instruments with climate objectives. It is in this context and in order to accompany this transition that Barbara Trachte is mobilising Kate Raworth's Doughnut Theory in the Brussels-Capital Region.

Austria on the Path to a Sustainable and Circular Society

The goals of the national Circular Economy Strategy



THOMAS JAKL AND HARALD KASAMAS

he 21st century presents enormous ecological challenges to humanity. The "planetary limits" defined and backed by sound scientific evidence have already been exceeded substantially and thus severely threaten our ecological livelihood.

A significant cause of this problem is the rapidly increasing consumption of natural resources. The global material footprint has more than doubled from 1990 to 2017. Without concerted measures, the global consumption of resources is expected to grow from 90 billion tonnes in 2017 to 190 billion tonnes in 2060¹, and the annual waste volume is estimated to rise by 70% till 2050².

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This intense growth of consumption is mainly rooted in our linear economic system "take-makeuse-waste": raw materials are extracted from nature ("take") to manufacture products and goods of all types and to generate energy ("make"). After an often very short period of usage ("use") most of the products end up as garbage or emissions into the biosphere ("waste").

The sharp rise in the use and consumption of resources and the subsequent release of our society's left-overs causes considerable environmental pollution. About 50% of greenhouse gas emissions can be traced back to the generation and processing of resources, which also causes more than 90% of

> all loss of biodiversity and water stress. In other words: Implementing circularity is indeed a kind of "silver bullet" - the essential key to address the core challenges of our civilisation.

> The reduction of resource consumption, waste and

The global material footprint has more than doubled from 1990 to 2017. emissions therefore is of great importance within the context of sustainable development and climate protection. While having in mind – and without principally challenging (!) – our social and individual needs it is high time for a fundamental transformation from our wasteful "throw-away society" into a resource efficient and pollution-free circular economy.

We need to act now!

The vision of the Austrian government is the transformation of our national economy and society into a climate-neutral, sustainable circular economy by 2050. This ensures both the functioning of our ecosystem as well as high quality of life and material prosperity for our, as well as future, generations:

- Greenhouse gas emissions will be reduced to net zero and the use of raw materials and energy as well as the volume of waste will be massively decreased.
- The remaining demand for raw materials will be satisfied largely from renewables and high-quality secondary raw materials from recycling. Primary raw materials still required will be obtained sustainably by preserving ecosystems and regenerating them where necessary.
- By putting the performances, the "services" of goods, into the centre of business models, each part of the supply chain has the economically driven goal to use products and energy as efficiently as possible. If the producer of a cleaner is paid per square metre of cleaned surface, using less cleaner increases the margin of profit. This is the kind of paradigm shift we need. "Anything as a service" business models (Such as Chemical Leasing) in this respect have a unique selling proposition and should build the backbone of a circular economy.
- Products and services will be designed to retain their values and benefits as long as possible so the demand for resources and the amount of waste and emissions for production, sales, use and consumption will

be kept as low as possible while at the same time hazardous substances will be avoided.

For this, the current linear economic structures, consumption patterns and material flows have to be changed substantially. The Austrian Circular Economy Strategy is the main guidance to achieve this goal. It displays the roadmap towards and expected effects of fostering technical, social and systemic innovations, smart regulation, powerful incentives, promoting competencies and, particularly important, the cooperation of various stakeholders. This occurs within an international context, because national economies, supply chains and thus the raw material and product flows are closely interconnected. Legislation and regulation as well as incentives and support are based on European cooperation.

Our Goals

The strategic goals of the Austrian circular economy strategy are:

- to reduce consumption of primary raw materials (resource protection strategy)
- to prevent waste creation (zero waste strategy)
- to prevent emissions (zero pollution strategy)
- to minimise greenhouse gas emissions (climate protection strategy)

In order to make these goals measurable and accountable, we have identified proper indicators and set ambitious target values. They are structured in two phases: in the first phase, we want to achieve a significant trend change by 2030. This will provide the basis for the long term transformation processes of the Austrian economy and society by 2050.

Goal 1: Reduction of resource consumption

- Material footprint (MF) reduced to 7 tonnes per capita and year by 2050
- Domestic Material Consumption (DMC) reduced to 14 tonnes per capita and year by 2030

Austria has a high resource consumption compared to other European Member States. The Austrian material footprint³ (MF) was about 290 million tonnes (Mt) or 33 tonnes per capita in 2017 and the domestic material consumption⁴ (DMC) was 19 tonnes per capita in 2018.

Our goal is to strongly reduce the consumption of primary raw materials. In order to quantify this goal, the domestic material consumption (DMC) is used to define the short term goal by 2030 because the DMC has a sufficiently good database available to serve as an indicator. The DMC will be reduced by 25% to 14 tonnes per capita and year by 2030.

For the long-term goal of 2050, the material footprint (MF) will be reduced to 7 tonnes per capita and year. This target value for the MF is based on scientific literature and has been identified as a "sustainable" quantity in the report "Resource use in Austria 2020". Based on existing data, this represents a consumer-based reduction of about 80% of the current raw material consumption.

Goal 2: Increase resource productivity with 50% by 2030

Resource productivity is the economic performance in Euro (GDP) per tonne of domestic material con-

consumption is reduced (pursuant to Goal 1 - DMC), the resource productivity should increase by 50% by 2030 compared to 2015.

Goal 3: Increasing the circularity rate to 18% by 2030

The circularity rate⁵ for Austria was 12% in 2020 according to Eurostat. By 2030, 18% of the material resources used in the economy should be obtained from recycled and reused materials. This increase of the circularity rate should be based on the reduction of material usage by around 20% and on the increase of recycling by about 10% compared to 2020.

Goal 4: Reduction of the material consumption in private households with 10% by 2030

The volume of municipal waste is used as an indicator for material consumption in private households. This waste volume is still increasing (+ 8% from 2015 to 2019), at a higher rate than the population growth (+ 3%). Our goal is to satisfy consumer demands with less material consumption leading to an equivalent reduction of municipal waste by 10% by 2030 (reference year 2020).

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Appropriate framework conditions have to be created for a comprehensive and accelerated transformation of economy and society.

Shaping the Transformation

In order to succeed in establishing the circular economy in Austria, appropriate framework conditions have to be created for a comprehensive and accelerated transformation of economy and society. It is the task of politics and administration to promote the implementation of the circular economy through suitable instruments and

sumption (DMC) and has continuously grown in the last 15 years due to the decoupling of economic growth from resource consumption. Assuming that the economy will continue to grow on an average of 1.4% per year till 2030 and the resource measures in central intervention areas such as

- 1. Legal and regulatory framework conditions
- 2. Smart market incentives

- 3. Financing and Funding
- 4. Research, technology development and innovation (FTI)
- 5. Digitalisation
- 6. Information, knowledge and cooperation

Currently, a number of obstacles still exist that make sustainable circular products and services the exception and not the norm. Some of these problems can be addressed and solved through suitable measures and instruments, in cooperation with the federation, regions, communities and social partners as well as civil society, industry and science. Others require a concerted procedure on a European or international level. Because Austria is strongly dependent on international raw material flows and supply chains, many companies act internationally and are export-oriented. Therefore, nationally and internationally, equal market conditions ("level playing field") have to be created for circular and sustainable products and services. Central to this are the initiatives at the EU level within the framework of the Green Deal and the EU

- 1. Construction and infrastructure
- 2. Mobility
- 3. Plastics and packaging
- 4. Textiles
- 5. Electrical and electronic devices, information & communications technologies
- 6. Biomass
- 7. Waste and secondary resources

For these key areas for transformation, more than 600 measures have been proposed, assessed and included in the circular economy strategy. With these measures, we want to achieve a turnaround towards a sustainable circular society.

A fundamental paradigm shift

With the comprehensive transformation and related technical and social innovations, we are entering uncharted territory in many ways. Therefore, the Austrian Circular Economy Strategy needs continuous evaluation, adaptation and flexible procedures.

> Long-term and detailed action plans are not expedient taking the high dynamics and complexity of the whole process into account.

> Despite successes in some areas, Austria is still at the beginning of its journey towards circularity. The transformation into a climate-neutral circular

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We are entering uncharted territory in many ways.

action plan for the circular economy. Austria actively supports these European initiatives.

Based on the specification of the EU action plan on circular economy, seven key areas for transformation have been identified as relevant for the Austrian Circular Economy Strategy: economy requires substantial changes, not only technologic and economic ones, but also in attitudes and behaviours of the whole society - a fundamental paradigm shift.

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- HARALD KASAMAS, Senior expert responsible for Circular Economy at the Austrian Environment Ministry.

Endnotes

- 1. OECD (2018). Global Material Resources Outlook to 2060.
- 2. World Bank (2018). What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050.
- 3. Material footprint (MF, also Raw Material Consumption [RMC]): DMC plus raw material demand for the imported semi-finished and finished goods, minus the respective exports.
- 4. Domestic Material Consumption [DMC]: domestic extraction plus imports minus exports.
- 5. Use rate of recyclable materials (Circular Material Use Rate [CMU])

Changing the System "from Within"



THOMAS ARNOLD

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limate breakdown and the planetary emergency call for more "radical" approaches towards the transformation of society as a whole.¹ But how to "radicalise" the EC's administration from within? Having civil society on board, fully recognised and valued for its unique capabilities to make the world a better place, becomes vital for the success of this transformative journey. Here, I look back on my career in the European Commission and on my personal engagement with changing the system from within a big public administration.²

EUStaff4Climate: a bottom-up high-ambition initiative

In solidarity with the global Youth for Climate movement³, a group of EU staff members came together as concerned citizens, parents, grandparents, and as employees whose duty is to act in the public interest. EU Staff for Climate is led by EU staff in their individual and private capacities. The group launched a petition,⁴ backed by scientific knowledge of the planetary emergency. Over 11,000 EU staff colleagues signed it, which encouraged us



Picture credit: EUStaff4Climate – https://eustaff4climate.info

to work with EU leaders to achieve its goals together for the good of the planet and its people.

I am proud that I have been part of this initiative since the early days. Only a couple of months after starting it, a deeply transformative European Green Deal was adopted, which is a big step towards the unprecedented change we need. EUStaff4Climate has been explicitly recognised in the Commission's communication for its own greening. EU institutions can gain reputational benefit if they can showcase to the outside that they are not made up of an army of single-minded bureaucrats but a vibrant community of conversation and engagement, co-creating positive policies for the wellbeing of citizens and the public good. We are more credible, relevant, and stronger if, inside the institutions, we mirror the vision of open, democratic, and diverse societies we wish to create.

Walk the Talk – Staff Engagement for Greening the Commission

The Commission's communication on its own greening includes a chapter on "Staff participation as EU citizens setting a good example."⁵ Staff engagement is considered key for success. The communication states that the Commission recognises and encourages its staff to be innovative and embrace changes in ways of working with the ambition of setting a good example in implementing new, innovative green solutions. Some Commission staff are already involved in such activities (e.g., the EU Cycling Group or EU Staff for Climate).

The communication also states that the Commission is committed to developing a strong culture of dialogue with staff. While encouraging environmentally friendly behaviour of staff, such as the sorting of waste, is important, reflections on mindset change may need to take account of the impacts of consumerism at large, even more so as part of the highly overconsuming global wealthy, which have the largest ability to reduce unsustainable consumption.

Transforming minds for better transforming the world

To respond to the complex polycrisis with urgent challenges, governments increasingly need to become bolder while remaining democratically legitimate, or more versatile and adaptive while still showing directionality. They need to be more radical in being open to dissonances, exploring options beyond the status quo, and stretching the policy space into new and possibly uncomfortable and unknown territory. Becoming more "radical" is therefore relevant both for the policies produced and implemented as well as for the mindsets of the staff enabling these policies. Deep green transition involves system change, which is more radical than - albeit important - isolated technological fixes. Raising awareness for biases, blind spots, and "elephants in the room" is a prerequisite to ensuring that, despite the best intentions and a lot of good will, understanding of the challenges and policies in response are not far-reaching enough or overlook important dimensions.

The Inner Green Deal, a training programme available to Commission staff, aims to transform hearts and minds for a sustainable world, developing sustainability from within. It argues that if we want to see change in the world, we need to address the human dimension of sustainability. Therefore, the Inner Green Deal cultivates skills, habit change, and collaboration, enabling profound change and an acceleration of the green transformation.

Raising awareness for sustainability challenges

Between April and June 2022, the Directorate-General for Research and Innovation hosted a series of six training sessions on knowledge for Sustainable Development Goals (SDG). The sessions focused on critical sustainability issues such as international spillovers, future generations, economic sustainability and doughnut economics, inequalities and lifestyles, the Earth system, and social tipping points. This has been one of my core tasks as an SDG advisor.

The 75 speakers and panellists from science, policy, or other backgrounds included Kate Raworth, Sandrine Dixson-Decleve, Johan Rockström, Adelaide Charlier, and many others. The sessions raised sustainability awareness across EU institutions, with close to 1,000 Commission officials attending. A spin-off from the SDG Talk on Economic Sustainability is a joint initiative by the Club of Rome, the EEA, DG Research and Innovation, and the Joint Research Centre on transformative economics and economic models that work for the future.

There are recordings and a wrap-up document of the "Knowledge for SDGs Talks" available online⁶, a Horizon Magazine article titled "Tipping Points Lead to Irreversible Shifts" by climate experts⁷, and a "How Could Humanity Survive the Planetary Emergency?" webcast⁸.

Facing a broken economic system

While the window of opportunity to preserve a liveable world for humanity is rapidly closing⁹, evidence is building that our extractivist economic model, with its underlying assumptions and value systems, is a root cause for the planetary emergency. These root causes need to be addressed both locally and globally. In the words of Kate Raworth, "humanity's selfie in the 21st century" is a massive planetary overshoot together with a painful social shortfall. According to recent findings by the Horizon EU 1,5° lifestyles project¹⁰, the three most impactful structural changes enabling lifestyles compatible with a 1,5° world are: 1) overcoming the economic growth paradigm institutionalised in social relations, political priorities, and valuations; 2) creating consistent, predictable, integrated policies; and 3) overcoming the systematic influence of vested interests. The Club of Rome Earth4All¹¹ project's valuable contributions have been widely disseminated across the Commission.

I was lucky to be associated with several policy labs organised by ZOE (Institute for Future-Fit Economies) on transformative economics, resilience, etc. One of these policy labs gave rise to an informal group of colleagues from JRC, EMPL, ENV, ECFIN, and RTD who wanted to explore how the framework of the Doughnut Economy could be relevant for EU policies. The informal Doughnut4EU group¹² was born. Kate Raworth and her team from DEAL became regular guests, and we organised policy labs and training events to foster reflection and spread the message across the Commission as a whole. We analysed the relevance of the doughnut framework for the Commission's greening, in particular its holistic ambitions to not only look at carbon neutrality but also at all the other Green Deal objectives.

The doughnut has entered, explicitly or inherently, a number of policy frameworks, such as a current Commission initiative¹³ for an integrated approach to measuring and monitoring wellbeing beyond GDP, looking at current and future generations in the context of Beyond GDP¹⁴. It has become almost unthinkable today that policies are designed without taking into account planetary boundaries and social foundations. A recent example of how reflections are brought further are the ongoing series of events by ZOE and the Directorate-General of Employment, Social Affairs, and Inclusion on fairness and justice in the green and digital transitions.¹⁵ My own farewell event in July 2022 also served to keep up the momentum.¹⁶

Biases and blindspots

An example of a policy blind spot is the "Leave no one behind" narrative, which is only half the story. What about letting no one overshoot in excess? Does it mean consumption corridors with higher per capita limits of consumption are part of a fair consumption space?¹⁷ Or should some have substantially bigger planetary destruction entitlements than others?

Another blind spot is the "we need positive stories, not doom" narrative. Only telling positive stories does not mean that, in wealthy countries, we do not need to change lifestyles and question consumerism. On the contrary, "positive stories" are about exploring the difficult question of how new visions of a good life, based on less material consumption and more sufficiency,¹⁸ but with multiple co-benefits, less time poverty, and possibly a new sense of purpose, can be made attractive. This is well reflected in the EUStaff4Climate discussion paper, "Unprecedented Change Now: A Positive Journey Beyond the Comfort Zone."¹⁹

(Super)-wicked problems

We are at risk of moving from a "polycrisis," with its interrelated and mutually reinforcing crises (climate, nature, pollution, resource overuse, conflict, etc.), into a "permacrisis".²⁰ Caught in complexity, we are facing (super) wicked problems,²¹ where low factual certainty is combined with low socio-political agreement. Furthermore, time is running out, competences are dispersed, no definitive solution exists, and each intervention generates new problems.

There is no way forward in silos or in a carbon tunnel vision. A single focus on emissions without nature and social dimension is insufficient. This calls for systemic approaches, exploiting co-benefits, and multiple wins. More than one technology is needed. Lowering demand is particularly promising, as highlighted by the IPCC.²² Individual behaviour change and public action for system change go hand in hand. This is the end of simple politics.

While foresight, anticipatory governance, and the tools in the upstream part of the policy cycle are crucially important, transdisciplinary participatory approaches are becoming indispensable. The EU has long-standing experience working with stakeholders—those that hold the stakes but the transformation requires identifying the "stake-movers"—those that move the stakes—and creating unconventional alliances.²³

There is no disagreement about the urgency, but there is a lot of disagreement on how deep the societal changes will have to go. Balancing freedom versus responsibility, individualism versus community, society's interests and the commons—these are at the centre of very divergent visions on the way forward, influenced by worldviews, values, and belief systems. There is a need for inclusive conversations on these issues without falling back into old 20th-century dichotomies.

The iceberg model of systems thinking (Systems Thinking Resources: The Donella Meadows Project) helps us understand that our policies often focus on the visible parts above the water. These are the things that can be pressed into action plans and timelines, and success can be measured. The deepest layers, down to the underlying system structures and mental models, are more difficult to grasp. With a longer time horizon of action, they are often postponed or overlooked, but transforming them can have a higher leverage on the overall transformation. The deeper structures may not have a business case nor a lobby, but they may have a system case.

Civil society stakemovers and unvested advocates

Organised civil society can have the unique capacity to hive-mind humanity's diversity, its concerns, aspirations, worldviews, and perspectives and shape them into a system case. This may get much closer to what is needed to face wicked problems than any more limited or partial business case. Civil society organisations (CSOs) can help understand and frame complexity and co-create solutions for people and the planet, taking account of insights from science.²⁴

To interact with a whole-of-government approach²⁵, civil society has an important role from a whole-of-society perspective and can therefore promote itself as a prime partner of public administration for the public good and the commons, for the long term and for future generations. Through processes of participation, deliberation, and activism, civil society is also well placed to address transformation fatigue that pushes back transformation and to develop, own, and advocate real positive stories of transformation and system change.

All levels, from local/regional (e.g., getting involved in the many doughnut downscaling exercises) to global (e.g., redesigning participatory sustainability diplomacy), are relevant. The multilateral system, which is currently mainly inter-governmental, needs to evolve to become inter-societal and beyond, integrating nature and ecosystems.

"Weltverbesserer" (world improvers) in my youth was at worst an insult, at best a judgement of naive remoteness from the real world. Today, to live well within planetary boundaries, public administrations need to proudly become "Weltverbesserer," and CSOs are best placed to be advocates of the public interest, the commons, and future generations.

Concluding remarks

I was lucky, in particular in my post as SDG advisor, to have the space to think the unthinkable, to voice the uncomfortable, to spot the disruptive and see it become transformative, and sometimes the new mainstream. It deserves acknowledgement that the institution allowed an advisor such as myself to play the role I played in pushing the sustainability transformation.

I have never understood the role of an advisor to simply say yes, but to unfold a holistic perspective and challenge policies and underlying assumptions. I worked on cross-pollinating ideas, well aware that mindset change involves uncomfortable truths and tolerance for uncertainty and dissonance. I have always cherished dissonances as a buzzing reservoir of new things, new ideas, and new questions. I am aware that many may not like system change, but our options are likely to be system change by design or capture in a disaster.

I think I have been a constructive disruptor, often uncomfortable but always loyal, and a sustainability activator. If it has helped just a little bit to advance a European project that works for people and planet and that makes peace with nature and the world a better place, then it made sense.

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Endnotes

- The 2023 work programme of the European Commission explicitly refers to "radical transformation": "The second reality is that these crises only underline the need for Europe to continue to accelerate the radical transformation set out at the beginning of this mandate, whether to tackle the climate and nature crises, make our economies and democracies more resilient, our industries more competitive, our societies fairer or to make our geopolitical stature stronger." European Commission (2022). "Commission work programme 2023: A Union standing firm and united". European Commission Communication COM/2022/548. Strasbourg.
- 2. Following my retirement in August 2022, I have become Active Senior Green Transition. Active Seniors are retired officials no longer in charge of specific files. They can contribute sharing their expertise and experience. They do not represent the European Commission. Until my retirement, I have held a variety of Head of Unit and Advisor assignments in Directorate-General Research and Innovation, most lately Advisor "Sustainable Development Goals" and previously Advisor "Sustainable Bio economy".
- 3. Youth for Climate is a climate youth movement that seeks to limit the consequences of the climate and biodiversity crisis by uniting as a movement and exert political pressure while raising awareness in society. Youth for Climate (2021) Available at: https://youthforclimate.be/>
- EU Staff for Climate (2020) Our petition to EU leaders. Available at: https://eustaff4climate.info/ our-petition-to-eu-leaders/>
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- Some ideas on the current economic model are also in a presentation I gave at an event of Generation Climate Europe.
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- 22. IPCC (2022), Climate Change 2022: Mitigation of Climate Change. In chapter 5 'Demand, services and social aspects of mitigation', the IPCC highlights the importance of options for Avoid (e.g. live car-free), Shift (e.g. plant-based diets) and Improve (e.g. efficient appliances).
- 23. "Policies may have to move into the unchartered space of discussing behaviours, lifestyles and systems of values. Governance itself has to become not only wise (Oliver et al., 2021) but truly participatory, symbiotic and tentacular. Our societies would need to be governed in a way that aligns with the needs and concerns of those who are currently 'left behind', humans and non-humans, and respects the Earth's carrying capacity."

European Environment Agency (2023). "Exiting the Anthropocene? Exploring fundamental change in our relationship with nature". Available at: <https://www.eea.europa.eu/publications/ exiting-the-anthropocene/>

- 24. See for instance Horizon projects which could be of interest fort CSO concerns: Policies and tools for mainstreaming 1.5° Lifestyles, Fundamental Decarbonisation Through Sufficiency By Lifestyle Changes (FULFILL), A Post-Growth Deal (REAL), Prospering without growth: Science, Technology and Innovation in a postgrowth era (PROSPERA)
- Learn more on: <https://commission.europa. eu/strategy-and-policy/internationalstrategies/sustainable-development-goals/ eu-holistic-approach-sustainable-development_en>

Moving Europe from Extraction to Regeneration



INTERVIEW WITH OLIVIA LAZARD

The green transition is reshaping our societies, our economies and the international system. More than a break with extraction and growth, so far it looks like a different version of the same pathway that is today straining the planet's limits. Can moving beyond growth help land societies in a more stable future? Olivia Lazard puts degrowth in context of the geopolitics of climate-disrupted futures and ecological breakdown. Green European Journal: The European Green Deal is the European Union's plan to reach net-zero carbon emissions by 2050. What is the material side of Europe's green transition?

Olivia Lazard: The fact that we're entering a new industrial energy digitalisation revolution means that we're increasing our material footprint on the natural world. There's only so much that a circular economy can rein in if we stick to this logic of growth.

Over the past 10 years, there has been a lot of talk about decoupling economic activities from greenhouse gas emissions. As far as we can see – and there's been a lot of scientific studies – there are moments when you can decouple economic activities and greenhouse gas emissions, but you can't do it in the long term, and there are also two larger problems at play.

The first is that the European Union's claims to be successfully decoupling some of its activities away from greenhouse gas emissions is partly because a lot of the material activities that it depends on are outsourced to countries outside of the EU. Within the carbon accounting, when the EU says we only emit 6 to 7 percent of global greenhouse gas emissions per year, it is only possible because the EU relies on supply chains in Asia, Africa, Latin America, and the eastern neighbourhood.

The second aspect is that there's a complete fantasy about the dematerialisation of the economy through digitalisation. Digitalisation requires a huge amount of physical infrastructure with a lot of metals and carbon-intensive infrastructure around steel and concrete. These infrastructures such as the massive underwater cables that connect the internet are again encroaching on ecosystems. Human civilisation is still tearing at the last integrity of ecosystems. We're coming to the limits. And we don't know what lies beyond in terms of stability, health and evolution for human systems. mechanisms. It is currently working on one for critical minerals for example. But regulations can easily be bypassed where there is high demand. Energyintensive economies tend to ignore those extractive economies, especially highly concentrated ones such as mining, produce political economies that either instrumentalise violence or marginally try to mitigate it to avoid the cost.

Regulatory tools can only superficially mitigate these violent political economies. What is needed instead is either to address them upstream before supply chains get created or organise systemic investments to tackle economic, ecological, governance, social, and financial fragility that truly transform violent political economies around extraction.

Our economic and social systems were built on growth and extraction and the green transition is so far following a similar logic. Is there an alter-

native relationship with natural systems?

If you look at human history, there are other ways of functioning. Indigenous communities have been shouting this fact at "modernised" peoples and societies for centuries. We know, for example, that the Amazon Basin is not just the result of natural processes and ecological

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Human civilisation is still tearing at the last integrity of ecosystems. We're coming to the limits.

You work on the link between the green transition, conflict and peace. What does the link between growth, extraction and conflict mean for the EU?

Like any energy-intensive economy, the EU relies on exponential extraction. By the nature of its single market and the fact that the EU is largely a service-oriented economy, it outsources the costs of extraction to other economies that use trade and commercial exchanges to climb up the economic growth ladder. In some contexts, extraction is intimately related to violence, elite predation, corruption and illicit financial flows.

The EU is not blind to the problems of extraction. It has developed tools such as supply chain oversight

sequencing, it is the result of human stewardship and curating positive interactions between human societies and natural living systems. The relationship between humans and natural living systems remains understood in certain parts of the world as reciprocal. This knowledge is what we need to reacquaint ourselves with in the long term. But it is very difficult to take indigenous civilisations as the starting point compared to how we live in Europe or the US today. That is a fact that we can't and shouldn't ignore. What's at stake for European societies is to land extremely complex and fine socio-economic equilibriums into a space that is mutually reinforcing with complex living systems. Social welfare systems are key parts of the socio-political DNA of European nations and they rely on employment to generate a tax base. In Europe, that employment depends on macro-economic structures that rely on extraction from elsewhere and commercial exchanges that maintain fine balances with other countries. It's the principle of globalisation: no country is an island, we all depend on one another, and we all have stakes meshed into interdependencies that define national equilibriums and models of redistribution.

As we seek to transform our relationship with complex living systems by integrating so-called externalities into our economic behaviour, and if we change economic interdependencies, including through demand-reduction or degrowth policies, we have to understand what trade-offs we create and what instability we may generate. For Europeans, a key question is how to re-engage with complex living systems and work towards global climate and economic justice, whilst landing in an economic system that does not break social safety nets in Europe.

Fundamentally, that's what the degrowth conversation is having difficulty with. If you look at things from a national perspective, then you can have reflections about how to take away certain sectors, move the labour force to another sector, potentially re-skill them and so on. But once you put a national economy in the context of its international ties, the conversation becomes a lot more difficult.

A really good example is the palm oil issue. Malaysia and Indonesia reacted against the EU banning palm oil because it threatens the social equilibriums around palm oil, not because they are against climate action. When the deforestation law was introduced in the EU, it didn't take into account the effects on supply countries, generating instability in partner countries and breaching trust in international relations. Without proper attention to our partners, we will undermine some of the fundamental fabrics that the degrowth movement aims to reconstruct and strengthen, especially in the face of climate disruptions.

If degrowth is too much of a rupture but at the same time we know that the logic of growth is destroying vital natural systems, what is the way forward for our economies?

The imaginary of how to regear economies from being extractive to regenerative – ie. not extracting more than the regeneration rates of nature – poses two questions.

First, do we still have the time to regenerate knowing that the climate crisis is so far advanced? Natural resources and ecosystems are already on the move, we're seeing the change in the migration patterns of birds. State- and nationhood are based on established borders, established natural resource distribution, and imagined identities linked to borders. If they begin to move, it's going to create a lot of problems. Can we catch a last window of opportunity to sustain certain natural resource distribution patterns the way that they are today through regeneration? Or are we moving into something entirely different and therefore we don't exactly know how to regenerate?

Second, the fundamental question is not whether degrowth is a desirable outcome in and of itself but whether is degrowth effective and impactful within a regenerative economy and environment at the local, national, regional and international levels. Does degrowth serve the purpose of reducing unnecessary material use and shifting economies

> towards more localised, circular and bioregional economies that help to feed soils and plant water, meaning regenerate water retention landscapes? Can degrowth regenerate social fabrics and combat other social problems such

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All of our political and social systems need to be oriented towards regeneration as epidemics around loneliness, depression and mental health?

All of our political and social systems need to be oriented towards regeneration and the question for degrowth is whether it is part of that.

Has the war in Ukraine revealed a link between Europe's geopolitical stance and degrowth policies?

The fallout of the war has led to more reflection on resource efficiency. I wouldn't call it degrowth. Degrowth is more of a political proposition around how to arbitrate between the ethical, economic and social benefits of certain key sectors. This reflection needs to be about more than fighting unemployment crises or doing away with detrimental consumerist behaviours.

True, but the kinds of policies called for by degrowth advocates have entered the window of political acceptability.

That is also true. I'm a French national and it was interesting to observe the presidential campaign last year. I would have expected degrowth to become a keyword in the 2027 presidential campaign but it already happened in 2022. So it is happening. The climate-disrupted futures are calling in a new political spectrum.

The war in Ukraine has sent a reality check and shock to our systems, particularly in Europe. The different avenues to talk about the reality of degrowth because of the war in Ukraine were sparked by the key connections between fossils as a commodity that creates a chronic crisis and war and Europe's strategic autonomy.

There is an argument to say that the more strategic autonomy Europe gains by investing in open and decentralised energy systems, the better off we'll be. But that is true only if you take decarbonisation as an endpoint. Getting there is riddled with obstacles that are likely to make the conversation about degrowth very hard in the next decade.

How so?

I remember this poster last year by the Greens that had the Ukrainian flag in the background and some workers who were putting up a wind turbine saying we'll have more peace if we invest in more renewables. I understand it from a communication perspective but its message is questionable when you consider that the shift away from fossil dependency is a move towards mineral dependencies. It's another era of extraction, just with different base materials. The EU does not have enough minerals in its territory, despite the so-called discovery in Sweden, to fulfil its own clean tech needs. These minerals will create dependencies and extraction may drive economic relations that will shape systems rivalry. This is not an invented threat. It is a real one. We can only degrow by making sure we take care of the security dilemma at the centre of our international system right now.

The EU needs to look at the dependencies we want to develop 20 years from now. China and Russia are ahead of the game in terms of supply chain autonomy and sovereignty and are using their economic advantage to shift governance systems in the Global South. The rise of authoritarian regimes or at least non-transparent, not accountable regimes is in step with the energy transition. This is something which I think we need to debate when it comes to degrowth. Degrowth has a strong political-ecological proposition. It needs to have a strong geopolitical and geo-economic one too.

What would the geopolitical consequences of degrowth be for the European Union?

If you start changing international economic relationships, removing some value and potentially bringing back production to Europe, then you may weaken partners outside of the EU. These partners are not just economic but political partners. Certain countries built their economies and social fabrics on Western demand, so degrowth needs to be co-designed and co-assessed. This is not something that we have started doing.

There is another question about the connection between economic growth and security. In political theory 101, we learn that the state is defined by the monopoly of violence. To have a monopoly on violence, we need to invest in military, security and defence systems. If you look at the wider global constellation, we see China, Russia and the United States investing more and more in military capabilities. So, from the perspective of people who are in charge of security, now is not the time to rock the boat. Degrowth could mean stepping away from the socioeconomic stability that allows the nation-state to invest in security.

To my understanding, the degrowth movement has only started to peel at these questions.

The current circumstances are very delicate and an ideological degrowth agenda only focused on planetary health without understanding how human systems organise themselves is counter-productive. It runs against the role degrowth can play in systemic planetary and human security.

You've called for a global public good regime, ie. deeper global cooperation to maintain stable planetary conditions. Isn't the prospect of Putin, Xi, Biden and others sitting around the table to manage global public goods more distant than ever?

Yes and no. In any critical historical juncture, you always have concurrent and simultaneous forces at play. The war in Ukraine created tectonic shifts of historical dimensions. The EU shifted its view about the European Green Deal from being a project that was created for Europeans by Europeans, to recognising with the REPowerEU Directive that the Green Deal depends upon an international dimension. The Critical Raw Materials Act will see the EU engage in a new type of diplomacy which is mineral, technological and economic.

I talk about a global public good regime because I believe that the reality of climate disruptions is going to hit so hard, that even the fundamental path dependencies around understanding security from a very nationalistic perspective will change. They will still have moments of last-minute glory, like the fossil fuel industry is having its last-minute glory as a result of the war, but it's going to be very hard to tackle complex problems without global cooperation. The global balance of power cannot expand beyond planetary boundaries. Even China knows it. Redesigning collective security systems and folding economic exchange under global security will be possible as a result of the urgency and gravity of climate disruptions that are hitting us.

If you look at where policies are supposed to go until 2030, it brings home this notion of planetary boundaries, of re-reasoning with economic sectors to move towards regenerative ecosystems writlarge, including human ecosystems. I've seen all of these words for the very first time in EU documents. These new initiatives only date back a year. The rupture caused by the war in Ukraine opened up a new world of possibilities around what diplomacy and cooperation should look like. We also had, for example, the finalisation of the High Seas Treaty which had been in negotiations for 20 years.

Ideas such as planetary boundaries, wellbeing and postgrowth are making their way into EU policy. The degrowth community and European Union bureaucrats and MEPs are two different communities, not to say planets. Where might this growing dialogue lead?

They used to be very distant planets but the planets are trying to come together, maybe through Saturn-like rings. I take as great hope the fact that the European Commission is funding a 10-million-euro research project that Giorgos Kallis, Julia Steinberger and Jason Hickel are leading. It's one of the largest Horizon grants. It is an incredibly positive sign.

I know from private conversations that even people working as chief economists within various DGs are engaging in these conversations behind closed doors. They are grappling with the question of what is degrowth and what does it mean? It's an entirely different way of thinking about economics and everyone needs time for everyone to adapt. It's not as if people within the EU – and I insist on the notion of people rather than institutions – are not concerned about the situation.

However, moving institutions is difficult and it takes time. I think they will move faster and faster as a result of various crises. The reality that we need to avoid is what I call "planic": planned panic. Take the responses around food security as a result of the war in Ukraine. President Macron said we need to double down on wheat production in the EU and countries like Egypt. This is nonsensical. It makes sense with the current economic rationale but it is baking more and more shocks into the system because how we produce wheat through monoculture is a systemic risk.

The more the Commission prepares the ground by funding solid research – and it needs to be solid research that is not ideologically invested but asks complex questions with open-mindedness and equanimity – the more we're going to see an EU able to say, when the next crisis comes, wait, "What did we fund? How can we learn from that research in policy development and design? What effective institutional processes will lead to truly actionable results?"

The simultaneous job is that we need intra-institutional cooperation, coordination and communication. It is not news that the different DGs in the Commission function like isolated houses. We need to bring them together, not to fundamentally challenge how they work, but to invite them to think about working differently. What should the next Commission look like if it is to work systemically and coherently? What kind of project is it going to carry forward if the EU is to meet together those challenges of energy, economic, climate and ecological security? These things will be the basis of all future policies.

This conversation is part of an interview series led by the Green European Journal and EU Observer as media partners of the European Parliament's Beyond Growth 2023 Conference.

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- KATE RAWORTH