

BOOK REVIEW IN COVID-19

Recentring our economy around wellbeing following the COVID-19 pandemic: A book review of *The Case for Degrowth*

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The scale of disruption caused by the Covid-19 pandemic was not inevitable. Frailties in the Global North's social, health and economic systems have been exposed. Over the past decades, rising inequality, an artefact of the current economic system, has resulted in poorer health outcomes for deprived populations [1]. On top of that, the climate crisis looms, leaving many

governments worldwide facing the triple threat of pandemic, recession and climate change. As Milton Friedman's oft-quoted words go: "When that crisis occurs, the actions that are taken depend on the ideas that are lying around."

Step in *The Case for Degrowth* by Giorgos Kallis, Susan Paulson, Giacomo D'Alisa and Federico Demaria [2]. Their solution, degrowth, is the transition to an alternative economic system, calling for an end to the relentless pursuit of Gross Domestic Product (GDP) growth and rebuilding an economy centred around the wellbeing of the planet and society. This work extends the previous literature by outlining 'how to' degrow — a manifesto for the social movement.

Despite unsuccessful election campaigns, both Sanders in the USA and Corbyn in the UK have caused the Overton window — the set of ideas deemed politically 'acceptable' — to shift in recent years [3]. On strategies to recover from the pandemic, the Financial Times itself wrote, "Policies until recently considered eccentric, such as basic income and wealth taxes, will have to be in the mix." [4] The social inequalities in both the COVID-19 death toll and the effects of the resulting economic damage mean the slogan 'build back better' is now on many politicians' lips. Degrowth is a mechanism for this, packaging many previously-fringe ideas into a complete system for a fairer society.

The book begins with a timely preface explaining that a degrowth economy would be resilient to global shocks such as the COVID-19 pandemic without the same loss of livelihood or life. Contrary to popular discourse, the current situation is not degrowth. Degrowth is not a recession. This is something that the authors take pains to explain. A recession is what happens when a reduction in GDP occurs in the current economic system (the word degrowth itself might be misleading here, Latouche suggests 'agrowth' or being growth-agnostic) [5]. Degrowth is not a

reduction of GDP for the sake of it. Degrowth calls for a reduction in throughput such that our economic activities remain within planetary boundaries. But the movement proposes a novel economy which provides economic support structures to allow a peaceful transition.

The first two chapters explain the case against incessant growth. The authors illustrate the physically and mathematically absurd notion that the entire economy must grow exponentially year on year. At a modest 3% annual growth rate, in a century we would have to yield sixteen-times what we produce now in a single year. Current popular solutions include ‘green growth’ — maintaining current levels of growth but in a decarbonised economy. However, there is no evidence that resource use can be decoupled from growth, so extraction rates would only increase in this scenario [6]. Other solutions such as waiting for the market to produce planet-saving innovations are wholly irresponsible, especially as game-changing breakthroughs are becoming less frequent [7]. The authors do admit the political allure of maintained growth in allowing everyone to get some share of the takings: “Once the pie stops growing, anyone who grows their share must do so at the expense of others”. However, as the authors make clear, we are trying to increase a flawed indicator. If we extract all the metals from a mountain, burn down a forest for fuel or hire someone else to spend every minute with our children, our GDP increases. In chasing GDP growth we are mismeasuring our lives.

The book is the first practical guide on moving to a degrowth system. Five reforms are proposed: “a Green New Deal without growth; universal incomes and services; policies to reclaim the commons; reduction of working hours; and public finance that supports the first four”. These reforms are essential for a healthy, stable society in a green economy. Cue the common complaint, “How will we pay for it?” The authors argue we must “tax what destroys societies”

— financing the transition to degrowth through wealth taxes on capital, large inheritances and financial transactions to reduce economic inequalities, with further taxes on polluting activities. Another common critique is that degrowth will stifle innovation, and even reject technological advancements. Despite underselling the current role played by the state, the authors understand the benefits of large-scale production but when directed towards social good rather than GDP growth.

The authors give an easy-to-follow guide to how we might achieve a new world, focusing on mindset and community. They do not outline the transitions specific countries must undergo, leaving room for backlash about the movement's feasibility. However, *The Case for Degrowth* counters arguments against the movement, particularly in the myth-busting FAQ section. For example, a major concern is that when economies such as China and India have grown their way out of poverty, is degrowth kicking away the ladder for other countries in the Global South? [8] The authors suggest that these countries should be free to implement their own strategies that are not necessarily growth-centric, citing Costa Rica's impressive human development scores despite relatively low income and resource use. Importantly, the authors explain that change needs to be culturally, structurally and spiritually sensitive.

Degrowth switches the focus from growth to areas which provide human worth — health, family, community, nature. In the Global North where the assumption “more healthcare equals better health” rings loud, a difficult hurdle for the degrowth movement is to convince the public to prevent illness rather than rely on resource-intensive downstream intervention [9]. Funding for biomedical innovation is misdirected in the private sector when prioritising shareholders [10]. There is vast funding for biomedical innovation, but little for community-based prevention.

Further, diseases are researched based on market value, meaning that those impacting marginalised populations are neglected [11]. We must start to be more weary of a world in which corporations define our health beliefs and needs [12]. The program of universal services proposed by degrowth will shift the target towards health for all rather than those with means, as well as alleviating the strain on community relations the competitiveness of capitalism brings [13]. Moreover, the reduction in economic inequalities will help balance the social gradient in health outcomes.

One fundamental barrier to degrowth is that people do not want a new economic system to threaten their current way of life. Economic transition is a scary prospect. The reforms presented in this book form a full package oriented towards long-term goals in a world obsessed by short-termism. As with any big change, there will be friction, making a difficult sell in today's rapid political cycles. However, there is some hope for the movement amidst the populist uprisings happening around the globe. The degrowth movement may be able to use the same loneliness harnessed by current populist leaders to restore a sense of community through localised universal services and greater human returns on innovation.

Despite the shifting Overton window, degrowth is still a fringe movement and mostly seen as an academic subject, with few political circles in the Global North embracing the word 'degrowth' and opting instead to sit behind the 'Green New Deal' banner. In the UK, the Extinction Rebellion protestors were described by Boris Johnson as 'crusties' who live in 'hemp-smelling bivouacs' [14]. *The Case for Degrowth* can act as an entry point for those interested in the subject, but with its dense literature and 'radical' stance the movement risks being shoved aside as theory. But degrowth is not radical — it is an economic system that allows us to live in an

ecologically-sustainable, socially-just world. Living within planetary boundaries should not be radical. To bring itself into the mainstream, the degrowth movement must take a page out of Prime Minister Thatcher's playbook: *there is no alternative*.

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