

## Degrowth: The Only Way To Grow

**Ross** Welcome to Renegade Inc. For decades we have been brainwashed into believing that unlimited growth is good. Economic growth is apparently the Holy Grail, rooted in outdated measurements like GDP and arbitrary stock market digits. But what if these assumptions are wrong and, actually, for our own well-being and for the future of the planet, we have to redefine success and embrace degrowth?

**Ross** Jason Hickel, Asad Rehman, welcome back to Renegade Inc.

**Jason Hickel** Thanks for having us on. Yeah, good to see you, Ross.

**Asad Rehman** Always a pleasure, Ross.

**Ross** Jason, let's start with you. We have to get to zero emissions by 2050. When people hear that and then see how the economy and how society is configured at the moment, they think that's just a sheer impossibility to turn this supertanker around and get to zero emissions. How do you begin to address the cynicism in the hearts and minds of a lot of people who think that that's totally unobtainable?

**Jason Hickel** Well, yes. I guess the first thing to say, actually, is that the challenge is much more difficult than even that. So the 2050 goal is the one that we've all become aware of. But it's crucial to understand this is a global objective, a global target. And the Paris Agreement recognises the principle of common but differentiated responsibility, which means that nations that have contributed more to historical emissions have a responsibility to reduce emissions to zero more quickly than nations that have contributed less. So we know that the nations of the global north are the ones that are primarily responsible for the vast majority of excess emissions that are driving climate breakdown. And so, according to scientists in the Stockholm Environment Institute, high-income nations like the U.K., like the USA, need to reduce their emissions to zero by 2030 at the latest, right, so this is much more dramatic than than most people are willing to consider. The crucial thing to grasp here is that the Intergovernmental Panel on Climate Change itself is clear that the only way that we can accomplish this kind of really dramatic reduction in emissions is by changing the way that our economies work. OK, because right now we have an economy that's organised around growth. And the problem with with pursuing growth is that growth entails and requires increasing energy use, right? And the more energy that our economy uses, the more difficult it is to cover that energy with renewable alternatives in the short time we have left. And so the answer is that we need to actively scale down excess energy use in high-income nations so that we can achieve a technologically feasible rapid transition to renewables. And that's and that's remarkably not part of our discourse right now. Like, virtually nobody is talking about that. And we need to start having a public conversation about that. And here's why. Because this is not just a matter of insulating our houses and turning off the lights when we leave a room and so on. Like, of course, we know that that's important to reducing energy use. But but the kind of reductions we're talking about here are in the region of like 50 percent by 2050. That can only be accomplished by scaling down excess industrial activity. So we have to have a conversation about what parts of the economy we can reasonably scale

down without harming human well-being and access to the things that we need in order to enable a much faster transition to renewables than anyone is presently planning.

**Ross** In DeCanio's book, *Economic Models of Climate Change: A Critique* - not exactly bed time reading. 'Business as usual amounts to conducting a one time irreversible experiment of unknown outcome with the habitability of the entire planet at risk.' We're not even talking in these terms when it comes to this subject. And then when we do start to begin to unpick it, it becomes so overwhelming for people, they feel helpless and think, well, someone else is looking after it.

**Jason Hickel** I completely agree. That's exactly right. I mean, the kind of ambition that we have so far with respect to addressing this crisis is nowhere near where it needs to be, right? I mean, just take the Paris Agreement itself, which is supposed to keep us under one point five degrees or two degrees at the max. If you add up all of the national intended contributions to emissions reductions under the Paris Agreements that have been pledged already by signatory countries, what you'll see is that it ends up not reducing global emissions at all because all of it gets wiped out by projected growth. OK, like, again, more growth means more energy demand, which makes it more difficult to cover it with renewable energies. And it wipes out the gains that we're making with, you know, in terms of efficiency and renewable energy outlay. And so we're headed even under the Paris Agreement right now, we're headed for in the region of three and a half degrees of warming by the end of the century, which is madness. I mean, that level of warming is incompatible with organised human civilisation as we know it. So we have to be much more aggressive. And the only way to do that is to fundamentally reconfigure the way that our economies work. And we've all bought into this idea for some reason that that every sector of the economy must grow every year, all the time, forever, regardless of whether or not we actually need it to. So we need to have a more rational conversation where we think about what sectors of the economy do we actually want to grow like renewable energy, public health care, public transportation? What sectors of the economy are big enough and don't need to grow anymore? And what sectors of the economy are too big and can be reasonably scaled down without harming our access to the things that we need to live well - things like, you know, the advertising industry or planned obsolescence, products that are designed to break down so that you increase turnover, or the arms industry, SUVs, private jets? There's huge chunks of our economy that are totally irrelevant to human well-being, that are fundamentally structured around exchange value and elite accumulation. And by scaling those down, then we can enable ourselves to achieve a much quicker transition to renewable energy without compromising, you know, our access to the things that we need to live flourishing lives. That's a much more rational way to think about the economy and to think about the question of growth.

**Ross** Asad, the other conversation that is not being had at the moment is one around global justice. If we divide the world into the global north and the global south, it seems to me that the people who are going to be paying the price for this catastrophe are those who can least afford it.

**Asad Rehman** Absolutely. And I think there's generally always been a problem with the way that the climate conversation has been framed. And we have to understand that because that's important to understand how we get here. And it's also then important then to understand how we get out. And often, of course, you know, part of the reason why, as you said, people feel

like overwhelmed is, you know, they feel they get two pieces of information. They get a piece of information which says the climate change is really, really important. It's a crisis, and then they get told it's temperatures a one, one point five two degrees. And it doesn't really make sense to people. Because every day, you know, the difference between the summer and winter is 10, 15 degrees. So we have to put it in perspective. 20000 years ago when we had the Ice Age, where the majority of the world's great cities are now, there were ice sheets between two, three, four kilometres thick when our oceans were 100 metres lower than they are now, the temperature then to now, the difference, was between three to six degrees difference. We are already at one degree warming. So we're at one degree we can see killer floods, droughts, famines. They're wrecking every corner of the world. The idea that now you need to be a climate scientist to know the impacts. The key point is there is no degree of warming which is safe. There is no degree of warming which doesn't devastate people's lives and livelihoods. What's happened is, is that people have taken this economic argument and then balanced it with saying what is a acceptable sacrifice for people and places around the world? And so you had economists who said, well, two degrees it's safe only in the interests of would it disrupt our economic model? And at the time, there were people who argued it wouldn't disrupt our economic model, therefore let's adopt the two degree target, even whilst poorer countries were saying, look at what's happening to us already. It's impacting on the food production. It's displacing people. It's amplifying all of the other existing inequalities that exist in the world. It is not safe to have temperatures go even above one degree. That was 10 years ago in Copenhagen. We're now at a point of saying we're at one point five. We have to keep temperatures well below that. And I just want to say also something about this 2050, 2030. I mean, it's incredible. None of your viewers would get on a bus or a train if on the front of it it's said there's one in three chance that this bus or train is going to crash. We're told urban modelling that we've got of this budget because no one, nobody, can accurately describe what will happen at any given point. What they can say is look at the impacts are happening. These were unprecedented. They were not expected to be happening now at one degree. These were things that we were told would only happen at two degrees. So everything that we do is literally about, you know, deciding how much of the world and the world's citizens we're going to prevent from having what the UN special rapporteur on extreme poverty and human rights called a climate apartheid, where the rich seek solace because of their wealth and the poor are left to to die because of extreme weather, exhaustion, water stress, etc.. We see that reality when we look at the impacts are happening all around the world because your ability to be able to respond to these multiple crisis is determined by where you sit and, you know, there is a very famous graph, it's called the Champagne Glass, which says, you know, the richest 10 percent of the world are responsible for half of all global emissions and the poorest 50 percent are responsible for only 10 percent of emissions. That was about five years ago. It's actually even got worse. The top one percent now is responsible for about three times the amount of emissions of the poorest 50 percent. But that's only one part of the story, because the other part of the story is if you look at economic inequality, the wealth is at the same. It's the richest elite in the world that have amassed the wealth, the poorest, are still struggling to live on less than five dollars a day. If you look at impacts, you see that the worst impacts are happening to people in the global south, the ones who are the least responsible. So fundamentally, this is not a question about carbon, it's not a question about climate in its abstract. It's actually a question about justice and about global justice and about how we construct our economy and society which is premised on the idea that is acceptable to exploit people and our planet for profit. And within that logic, it's

acceptable to sacrifice people for to defend this economic model, which we all know has failed both people and our planet.

**Jason Hickel** Now, first of all, we know for a fact that one of the main reasons that policymakers are unwilling to take dramatic action to prevent or to slow climate change is because they're worried about the impact they might have on GDP growth. That's a fact. Virtually the entire edifice of climate economics is organised around how much can we get away with in terms of warming without harming our economy? So I think it's crucial that we recognise that the language of growth is basically the ideology of capitalism in the sense that it takes processes that are basically about exploitation, extraction and elite accumulation and repackages all of that and then sells it to us as growth, which sounds so reasonable, so obvious, so natural. Who could possibly be against it? And so on the left and right alike, we get on this bandwagon that we need more growth, which is in fact just the process of buying into the ideology capital. It's an extraordinary ideological coup where we've come to see an indicator that is designed to measure the well-being of capital as something that measures the well-being of the rest of us. And so the first step here, I think, is to break this cognitive seal and recognise that that we don't need more growth. What we need is an economy that is organised around human well-being and ecological stability rather than around perpetual elite accumulation.

**Video clip (Ross)** You've taken particular aim at an economist called William Nordhaus. He won the Nobel Prize in Economics. Why has he incited such err?

**Video clip (Steve Keen)** He is the individual who did most to disparage the reception of the Limits to Growth study back in 1972.

**Video clip (Ross)** And what is that study?

**Video clip (Steve Keen)** And the limits to growth was a study by a group of computer scientists at M.I.T. putting together a modelling framework that let you look at the feedbacks between different parts of the very complex system of the world in which we're in - things like the level of population, the level of output, the amount of food being produced, the amount of pollution produced, the capacity of the planet to absorb that pollution.

**Video clip (Ross)** And they had that data?

**Video clip (Steve Keen)** They use data from 1900 to 1970 to calibrate their model. So they had indexes for production indexes, pollution and so on. They made sure their model reproduced, roughly speaking, the data from 1900 and 1970 and all those elements and they simply ran it forward and saw what happened. And what that model predicted was that between 2030 and 2070, roughly in those periods, some form of crisis would strike, either a pollution crisis, a running out of irreplaceable resources crisis, one of multiple crises, unless we in the mid 1970s decided to limit population growth, to put more of our energy resources industry into generating non carbon based energy systems, more work into controlling pollution. If we'd done all these controls, we could have sustained the planet indefinitely.

**Video clip (Ross)** What happened mid 70s?

**Video clip (Steve Keen)** Nordhaus wrote a paper called Measurement Without Data.

**Video clip (Ross)** In the mid 70s?

**Video clip (Steven Keen)** In the mid 70s. He wrote it in 1972. He criticised the predecessor of the Limits to Growth Power, written by Jay Forester, one of the world's great engineers, and that disparaged the whole study. So it had an enormous impact upon popular opinion. It sold about 25 million copies, but it was disparaged and thrown out. And economists rejected not just the conclusions of the study, but the methodology as well. Whereas the methodology - and I'm speaking, having spoken to Randers, one of the authors here - they actually believe that economists would say thank you for producing this methodology because this methodology lets us analyse the economy out of equilibrium. And we've been analysing as if it's in equilibrium, which is obviously a fiction. So you've let us not have to make that stupid assumption of equilibrium but thanks very much. Instead, the economist said, get out of here. We're hanging on to our equilibrium assumption.

**Ross** Asad, seems very technical, what Steve Keen is saying there. But let's just agree that using economists who've got things hopefully wrong for so long, using their predictions and assumptions isn't the wisest way to go. How do you reframe this argument and how do you sell this idea in more human terms? We know famously David Attenborough says that anyone thinks that infinite growth on a finite planet is either a madman or an economist. And that really chimes with people because they understand. But it also seems to me that this incessant growth that we talked about in the first half, it hasn't made people very happy. And it's pushed inequality off the scale in developed nations.

**Asad Rehman** Absolutely. And, of course, extreme inequality around the world and within poorer countries as well. Look, the world and our economy is failing the majority of people. And even now in richer countries, more and more people are coming to the realisation that after a decade of austerity that, you know, they're not working to live, they're just working to survive. Those poor people who are working that people's lives are, you know, stuck in low paid, insecure work. And they're asking themselves some profound questions, you know. What is our economy there for? What is our society there for? So I think this is a moment. We're actually in an incredible moment, because whilst the current epidemic, of course, has exposed, all of the inequalities of the world, it has also awakened more and more people to what they see as being essential to their life - the sense of community, public services, public health, the recognition that we live in a global connected world, that these issues require us to have a global effort and global action. And there is an opportunity for us to have a much bigger conversation when we move away from, you know, the arguments about economic growth, which, as Jason quite rightly said, it's captured people. It's like a coup of our minds, right? Because it's connected and it's sold us an illusion. I think to break that, we have to start talking about how do we have a better life for everybody? How do we guarantee everybody a dignified life around the world and then start to spell it out. You know, actually, you'll be happier and better because you'll have free public transport. You'll have public services. Food and energy will be a public good and will be guaranteed to people. We'll guarantee people income and social protection. All of these things are absolutely possible without us continuing the exploitation of people and resources. We have enough wealth in the world. We can feed the world three times over. We can provide energy to 10 billion people if required. But it does require us to begin a conversation - what is productive and what is not

productive? What is socially acceptable and what is not socially acceptable? I was reading something earlier today. He is not my favourite person to ever quote. Henry Kissinger at the First World Food Summit in 1974, he said, we will end hunger within a decade. And yet we are now in the world where there's close to two billion people facing issues around hunger. We know we're about to enter another hunger pandemic as a result of the global recession and the Covid impacts and of course, about climate impacts. On every indicator, our economy has not worked. The decades of neoliberalism have absolutely taken us to the brink of disaster.

**Ross** Jason, who is the threat of a good example? Which of the countries or the leaders or the people out there, policymakers, who are starting to get things right?

**Jason Hickel** There's no one who's getting that perfectly right, but there are a couple of sparks and hope out there that are worth considering. Like, for instance, last year, just under the New Zealand's pledge to remove GDP growth as an objective for the government's budget. When that happened, that story went crazy viral. That was a huge deal. And I think that happened because it really tapped into people's sense that there's something fundamentally wrong with the way that we organise our economies. And, you know, as soon as that announcement was made, then Scotland followed suit. Iceland also followed suit. And then we'll see what you know, what plays out here. But these are interesting developments. I think that, you know, in the global south, we have like the Indian state of Kerala in south western India, we have Costa Rica. Cuba is another interesting example where the economies are primarily organised around provision for human well-being and social solidarity and justice. Now, we might want to quibble with the political regimes in any of these places. But the point is that they're doing something right because they're managing to achieve very high levels of human well-being with very little ecological impacts. And so that's a different way of thinking about the economy.

**Ross** Asad, people watching this, listening to you and Jason will be thinking, yeah, I'd vote for that. These two guys are talking sense. But then we hit had the problem that is the political class, often technocrats, often small minded, often self aggrandising and only worried about whether they got re-elected. We don't have the political leadership excluding a few places. We don't have the political leadership or the public policy makers necessary to be able to change the discourse and sell a hopeful message to the public saying we can actually turn this round. What you do about that when you've got a totally impotent political class?

**Asad Rehman** Well, first of all, you start from the fact that the way that this crisis and climate in particular and all of these that have been framed in technocratic terms, which are aimed to depoliticise and and take out this conversation from ordinary people. It's deliberately designed as a discussion that this is left to the technocrats. But the hope comes from - I mean, I know it sounds like it's such a long time ago now before Covid - there were massive protests and uprisings taking place in Chile, in Algeria, in Iraq, in Lebanon, all around the world, around economic injustice, people calling for a different economy. But there is already protests, as we've seen with the Black Lives Matter movement, that shone a spotlight on the systems of oppression and racialized injustice. We have seen already movements in many places all around the world who are saying, hold on, there is a different conversation. We want to be part of that conversation. They called it many different things. In the global north and in rich countries we call it a Green New Deal. There are incredible

movements which were saying the only way we can win is if we can win social licence for a transformation. The only way we win for social licence is if we can combine a call for economic justice, social and climate justice together, have a set of demands that people can see themselves in and be able to describe the world that we want. That way, we build the pressure to force political leaders to have to address. Now, the fact that you have a US administration coming in and talking about climate in the way that it's talking about you, talking about the transformation that they want to make, the two trillion dollars that they're going to invest. That's not come because of technocrats. That's come because of grassroots movements have held the feet of politicians on fire and said, we want a different kind of economy that works. So there is incredible hope there. Our great challenge is can we harness all of this in the moment when we've got this limited time frame of like a decade for transformation? Is it possible or will we get to a point where we're constantly just trying to stop the worst things from happening?

**Jason Hickel** Well, look, I think that Asad is basically right. Like, too often treated these things as separate issues. We've had like struggles for labour, justice, for example, struggles for public services, whatever it might be. And then on the other hand, we are kind of the Greens fighting for, you know, climate change to be on the agenda, et cetera. I think that what we're all learning now is that these battles have to be fought simultaneously because the crisis is interlinked. Like the crisis of ecological breakdown is a crisis of inequality. Crisis of labour exploitation and ecological exploitation, are symptoms of the same system. This is a system that is fundamentally organised around extraction and accumulation. In the 21st century, it's no longer feasible for us to be tweaking the system around the edges. It has to be re-thought. And if that sounds big and radical, et cetera, I mean, the key point to recognise here is that nothing will be bigger and more radical than, you know, the disintegration of our civilisation if we don't find ways to act more quickly than we presently are. And if we want to be able to do that while at the same time ensuring, you know, socially just outcomes and flourishing lives for all human beings, this requires an attack on the prevailing distribution of income and resources in the global economy, right?. And I think that has to be our focus. Like it has to be an integrated approach towards climate justice, which brings both social and ecological dimensions to the table.

**Asad Rehman** Again, I'm going to quote somebody who's not somebody I normally would quote.

**Ross** Not Henry Kissinger, again?

**Asad Rehman** No, not Henry Kissinger, but somebody akin to him - Milton Friedman.

**Ross** Oh gosh, you've almost out-Kissingered Kissinger.

**Asad Rehman** Exactly. Exactly. But, you know, very tellingly, you know, when they talk about how the victory of neo liberalism took place to dominate our economy, this idea in a moment of crisis is when profound change could take place, when the politically impossible becomes politically possible That's our fight. And that's what I take, that this moment is a moment of permanent crisis. But in that permanent crisis, there is an opportunity, a window, for an alternative to be articulated because it's already being fought for. It's already been out there. There are people struggling for this. So I take hope from the fact that there is

resistance. I take hope from the fact that increasingly so many more parts of our movement had no longer seeing these issues as being separate. I was always struck by the banner that was held by the yellow vest at the front of there protest against the carbon tax, which environmentalists were supporting, etc. And it said, you know, the elites worry about the end of the world. We ordinary people, we worry about the end of the month. And now, I think there are more and more people recognising that until you answer people's needs about the end of the month, we'll never be able to also stop the end of the world. So that coming together and connecting is happening and there's a growing awareness and recognition. And I take hope from the fact that now millions of millions of people around the world are increasingly echoing very, very similar things.

**Ross** Asad Rehman, Jason Hickel, thank you both very much for your time.

**Asad Rehman** Always a pleasure, Ross.

**Jason Hickel** Thanks Ross.