

## From Green Growth to Degrowth

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### Abstract

The radical idea that economic growth might be more of a problem than a solution is no longer a radical idea. The idea of degrowth is emerging as a solid alternative to the growth-as-usual paradigm, which is an opportunity to revisit the growth debate with a more balanced view of each side. Instead of immediately picking a winner, let us look at where they disagree and where they agree. And let us reflect on what we can learn from this controversy.

### Policy Recommendations

- Decoupling is not enough. We should temper our optimism about green growth. The rates of decoupling observed so far are not enough to conciliate further economic growth and ecological sustainability.
- Sustainability is more than carbon. When assessing the impacts of economic growth, consider all types of environmental pressures like material footprint, water use, land change, pollution, waste, or biodiversity loss, and not only greenhouse gases.
- Mind imported emissions. When assessing the impacts of economic growth, use consumption-based indicators that include imported emissions.
- Don't underestimate degrowth. Sufficiency-oriented strategies have a role to play in developed countries that are currently consuming more than their fair share of resources.
- Less is more. It is possible to live better with less income and material consumption, granted that quality public infrastructures are available.
- Forget about GDP. A transition to more socially just and ecological sustainable economies is complex and demand a dashboard of indicators. Social-ecological health should have priority over economic indicators like GDP.

## Introduction

The radical idea that economic growth might be more of a problem than a solution is no longer a radical idea. Mike Ryan from WHO denounces the [“slavery to economic growth,”](#) UNEP executive director Inger Andersen acknowledges the [“toxic trail of economic growth,”](#) UN special rapporteur on poverty Philip Alston calls growth nothing but a [“convenient alibi,”](#) a group of environmental scientists demand the [“abolition of perpetual economic growth,”](#) the European Environment Agency makes a plea for [“growth without economic growth,”](#) and the latest report of the Secretary-General of the UN shows an interest for [“alternatives to growth-insistent economics.”](#)

Ten years ago, the green growth discourse ruled over sustainability discussions. But no more. Today, the idea of degrowth is emerging as a solid alternative to the growth-as-usual paradigm. This is an opportunity to revisit the growth debate with a more balanced view of each side. Instead of immediately picking a winner, let us look at where they disagree and where they agree. And let us reflect on what we can learn from this controversy.

### We need absolute, not relative decoupling

Some green growth enthusiasts believe that GDP can be *decoupled* from environmental pressures. The problem with the term “decoupling” is that it is vague. To start with, commentators often forget to make a distinction between *relative* and *absolute* decoupling.

*Relative* decoupling, for example between GDP and carbon emissions, refers to a situation where the emissions per unit of economic output decline but not fast enough to compensate for the simultaneous increase in output over the same period, resulting in an overall increase in total emissions. Although the economy is relatively less impactful per unit of GDP compared to what it was before, the absolute volume of emissions has nonetheless increased because production has grown. As for *absolute* decoupling, it describes a situation where, to stay with the same example, more GDP coincides with lower emissions.

Most of the time, if you read that “decoupling is happening,” then it means relative decoupling. This is a good start, and I would like to read this line more often, but it is nothing worth sabering champagne. The thing is, nature doesn’t give brownie points for efforts. Relative decoupling is not enough because it means environmental pressures are still on the rise. To avoid ecological collapse, starting with climate breakdown, all measures of resource use and ecological degradation must go down absolutely.

While relative decoupling is widespread – and we will see later that it is only one specific kind of decoupling – absolute decoupling is an empirical rarity. This was the main result of the [Decoupling Debunked](#) report in 2019 (hence the Loch Ness Monster on the cover) and it was recently confirmed by [the first exhaustive overview of the decoupling literature](#) in June 2020.

### The size of decoupling matters

And even when decoupling is absolute, this is not necessarily problem solved. A 3% rise in GDP with a 2% drop in emissions is by definition “absolute decoupling,” but so is a 3% rise in GDP with a 0.02% drop in emissions. Actually, even a rise in GDP with levels of environmental deterioration remaining constant is a form of absolute decoupling – even though this is useless in terms of sustainability. Saying that rich countries have “decoupled” because their emissions have decreased by a few per cent would be like me saying I have “climbed” Mount Everest just because I hiked the first few meters. Factually, not untrue, but disingenuous still.

Take France, for example. According to one of the most optimist [decoupling study](#), France decreased its consumption-based emissions by 1.9% per year between 2005 and 2015. It was indeed absolute decoupling even though the rates of growth were actually low, averaging a yearly 0.9% during the period. Now compare this to the French current climate target, which aims at reaching 80MtCO<sub>2eq</sub> by 2050, an 80% reduction compared to its emissions in 2019. And imagine how much more difficult it will be to decouple if the economy starts growing faster. It doesn’t take a statistician to realise that the

observed rates of decoupling are not going to cut it.

### **Mind imported emissions**

Then, let's say we have an absolute decoupling that is sufficient in magnitude to achieve a set environmental target. We still need to make sure that it includes imported impacts, for example the carbon emissions embedded into the goods we import from abroad.

[Haberl et al. \(2020\)](#) synthesised all the studies looking at decoupling rates of PIB from greenhouse gases in high income countries during the last decade. Using production-based indicators (that is excluding imported emissions), there is indeed absolute decoupling: with 1 additional point of GDP comes -0.04 points of emissions. Minuscule but absolute. But if one uses consumption-based indicators instead, the absolute decoupling disappears: with 1 additional point of GDP comes +0.22 points of emissions.

This seems like a methodological detail, but bear with me. Consumption-based indicators only appeared around 2012, which explains why 92% of all decoupling studies only use production-based measures (the number is from the [Wiedenhofer et al. study](#)). Problem: the heaviest polluters import large volume of nature-intensive products. Measuring their footprint solely on territorial emissions creates a local illusion of absolute decoupling where, in fact, environmental pressures are only shifted elsewhere. This is like transferring one kilo from your left leg to your right leg and calling it weight loss. It is absurd to celebrate decoupling in one country if it is achieved at the expense of recoupling in another one, especially if the one worst off is the poorest of the two.

### **Sustainability is not only about carbon**

And there is another problem. Most decoupling discussions only focus on greenhouse gas emissions, ignoring other kinds of environmental pressures. For example, 80% of the studies reviewed by [Haberl et al. \(2020\)](#) focus on primary energy and greenhouse gases. Among the rest, only

a few consider material use, water use, land change, water pollution, waste, or biodiversity loss. While there are a few inspiring stories of decoupling concerning emissions (remember, often local, small, and relative, and if absolute, minuscule in magnitude), studies who track other indicators tell us a different story, one where economy is still strongly coupled with ecology.

Materials are a good case in point. If the world economy was gradually dematerialising in the 20<sup>th</sup> century, this trend has been [reversing in the last two decades](#). This alone should temper optimism concerning endless supplies of renewable energy, which after all, are dependent on the mining of minerals. My point is that a "sustainable" economy in any meaningful understanding of the term must consider all the complex interactions it has with ecosystems, and not only carbon.

### **What can decouple may recouple**

Mitigating environmental pressures in a growing economy not only implies achieving absolute decoupling from GDP, but also requires maintaining such a decoupling in time as long as the economy grows. Said differently, continuous economic growth requires a *permanent* decoupling between GDP and environmental pressures. Yet, in the same way that economic growth and environmental pressures can *decouple* at one point in time, they can also *recouple* later on.

A few years ago, the International Energy Agency declared that decoupling was "[confirmed](#)" after observing a levelling of global emissions in 2015 and 2016. But this decoupling was short-lived. In fact, it was mainly due to China moving from coal to oil and gas and the US shifting to shale gas. After the shift was done, economic growth recoupled with emissions. Similar situation with countries switching to renewables. Once the transition is over, further growth will require an expansion of that infrastructure, which will create additional environmental pressures.

### **What decoupling can and can't do**

Now, we can be more precise: the proof of *absolute, significant, consumption-measured,*

and *permanent* decoupling between GDP and *all the environmental pressures that matter* is nowhere to be found. For me, this means it is unwise to invest all our hopes in this decoupling magically materialising in the decade to come. This was already the conclusion of the [Decoupling debunked](#) report and it is also the take-away message of the June 2020 study by [Haberl et al.](#)

When it comes to the decoupling we need to effectively address the multiple biocrises we're facing today, all scientific evidence confirm that it hasn't happened yet and suggests that we do not count on it too much. Being precautionous, we should not expect much more than what we already had, that is relative decoupling with rare situations of often local and temporary – and in any case meagre – absolute decoupling of a few isolated resources or impacts.

I say this without a celebratory grin. I actually wish green growth existed. Of course, there are also [social issues linked to economic growth](#), but taking ecosystems out of the picture would simplify the problem, or at least give us more time to solve it. But scientists don't believe in miracles. My worry is that we're losing precious time arguing that maybe, one day, perhaps, if-this-if-that, decoupling could happen. In the meantime, we are merely tinkering with a system that should be radically transformed.

Perhaps, we are just about to witness a game-changing green growth revolution in the years to come. Assessing that possibly theoretically, I found myself concluding that it is extremely unlikely – these are the 7 barriers to decoupling explained in [Decoupling debunked](#). Assessing that possibility empirically, modellers are also erring on the side of caution – see [Hickel & Kallis \(2019\)](#) for a review. I don't mean to be a decoupling grinch, but with all knowledge considered, empirical and theoretical, I find the idea that economic growth could continue unabated while sliming the biophysical metabolism of our economies far-fetched. If my life depended on it, I would make sure I have a plan B.

### **Degrowth: a plan B**

[Degrowth](#) is such a plan B. Of course, it is not a perfect plan and it has its own uncertainties. But one should assess the idea on what it actually proposes and refrain from mischaracterisation. Again, and just like for green growth, this is a matter of precision. When facing a problem, the more options the better, but only if options are detailed enough to be useful. Just like dismissing “decoupling” without understanding what it entails would be self-defeating, so would throwing away “degrowth” without giving it a real analytical chance.

Degrowth enthusiasts believe that GDP cannot be decoupled from environmental pressures, and so they advocate a downscaling of production and consumption in the wealthiest, most polluting regions of the world. While proponents of green growth expect efficiency to enable more economic activity at a lower environmental cost, advocates of degrowth appeal to sufficiency, arguing that buying and selling less stuff is a faster and safer road to ecological sustainability. The problem with the term “degrowth” is that it is vague.

### **Not a recession**

Most of the time, if you read that “degrowth is happening,” then it means something has gone horribly wrong. But degrowth is no tragedy. Jason Hickel, one of the leading scholar in the field, points to [six features](#) that makes it different from a usual recession: (1) degrowth is a planned, coherent policy; (2) it has a discriminating approach to reducing economic activity; (3) it actively prevent unemployment and improve work quality; (4) it seeks to reduce inequality, nationally and globally; (5) it seeks to expand universal public goods and services; and (6) it seeks to achieve a rapid transition to renewable energy, restore soils and biodiversity, and reverse ecological breakdown.

A recession is an accident within an economy that fails to function without growth. It is unexpected, chaotic, suffered through, temporary, unsustainable, and regressive. Degrowth, on the other hand, is a purposeful strategy to build an alternative economy that can prosper socially and ecologically in the

absence of growth. Recession: economic crash. Degrowth: sustainability transition.

### **Not a decrease of everything**

Then, commentators often fail to specify that degrowth is not a not a blanket call for a decrease of everything everywhere. There is something painfully obvious about the necessity for the people whose needs remain unmet to access the means of satisfying them, and it would be obscene to lecture the dispossessed about minimalism. But no community can thrive in degraded ecosystems. Let's remember that it is today the poorest who bear the brunt of the ecological crisis while they benefit [the least](#) from the growth that causes it. Hence the degrowth credo: downsizing excess consumption in rich economies *in order* to facilitate the development of the global South

Besides of being socially inhumane, maintaining some countries in poverty would make little environmental sense. At the global level, the richest 10% accounted for [46% of carbon emission growth](#) between 1990 and 2015 while the poorest 50% barely increased their consumption emissions at all. Even worse for materials: [81%](#) of the increase in material use since 1990 can be attributed to rich nations. The problem is not population but affluence. The degrowth hypothesis is that eradicating extreme wealth and lavish consumption is our best shot at preserving planetary health while ensuring that everyone on Earth reaches decent standards of living.

### **An alternative hedonism**

This must not necessary be gloomy. Degrowth is not belt tightening sacrifice, the literature is quite clear on this. The oldest degrowth periodical – the French journal *La décroissance* – bears as subtitle “*le journal de la joie de vivre*” (the journal of the joy of life). Already in 2002, [Serge Latouche](#) was presenting the purpose of degrowth as a “the flourishing of sentiments and the production of a festive, even Dionysian life.” Priding himself in being an “*amoureux du bien-vivre*” (a lover of the good life), French degrowth advocate [Paul Ariès](#) champions an attitude of *bon vivant* who enjoys life, takes pleasure in tasty food,

exuberant revelry, and extravagant love relationships. This is the less-is-more spirit of “[voluntary simplicity](#),” what Kate Soper calls “[alternative hedonism](#)”: minimalism applied to material stuff in order to find a life of greater purpose, fulfilment, and satisfaction.

You don't need to be a hardcore anti-capitalist to realise that more is not always better. Psychologist Barry Schwartz calls this the “[paradox of choice](#)”: having too many options can be overwhelming (anyone that has ever tried to watch a film on Netflix knows this). Plus, the more options we have, the more options we must give up whenever we make a choice. And then we wonder: What if the other product was actually better than the one I picked? I call this the *opportunity cost syndrome*, the fear of missing out applied to consumption. For those who already have enough to satisfy their needs (and these are the people concerned with degrowth), simplifying one's lifestyle can be a source of serenity.

### **The perils of positional materialism**

In a capitalist economy, you need money to buy stuff, and to get money, you need to give up time that could have be spent otherwise. This is the “[high price of materialism](#)”: locked into a work-and-spend cycle, we lack the time and energy to engage in activities that are crucial for well-being: spending time with loved ones, enjoying nature, learning new things, discussing ideas, and making stuff. Again, it is a matter of threshold. Driving a car means working to earn the money to buy it, fix it, insure it, park it, clean it, and worry about it. Put all these costs together and you may realise [like Ivan Illich](#) that the car is slowing you down, and that, after all, you would have been better off cycling or taking the bus.

Consumerism becomes even more pernicious when commodities are used for status competition. The pleasure you derive from a [positional good](#) depends on how much others have. If everyone was awarded the Nobel Prize, there would be little value in receiving it. Such competition is a societal zero-sum game because everyone strives to gain advantage, but since all are trying to do so, all remain in the same relative position. As Fred Hirsch

writes in the now classic [Social Limits to Growth \(1976\)](#), “if everyone stands on tiptoe, no one sees better.” The more positional an economy is, the less effective will income growth be at raising well-being.

### **Less purchasing power, more living power**

These reasons explain why, past a certain threshold, income ceases to correlate with well-being. Therefore, we should forget income and focus on the [welfare purchasing power of income](#). In France, we call it [pouvoir de vivre](#) (living power), recognising that the ultimate objective of economic organisation should be the satisfaction of concrete needs.

To live well with less money, let's start by hunting the [rent-seeking practices](#) that make goods and services unnecessarily expensive. I paid my new tooth 7 times its cost-production price only because the dentist I came to visit was still exempted from public price controls. We applied price controls to medical supplies during the pandemic, why not doing so for other essential goods like housing, food, energy, information, transportation, among other [Universal Basic Services](#) everyone should have access to regardless of how much they earn.

Degrowth involves a defence and extension of the sphere of [gratuity](#): goods, services, and amenities that are offered unconditionally of purchasing power. One could buy less processed food if we had access to a garden to grow veggies; mortgage repayment wouldn't be as painful if interest rates were capped like it is in community banks; education and training would become affordable because of time banks. The essential point to grasp here is that investing in public goods could enable a slower-paced, less acquisitive, and yet happier way of living.

### **Not only about the environment**

Another subtlety you may have noticed by now is that degrowth is about more than just ecological sustainability. Since the emergence of the concept in France in 2002, *décroissance* (degrowth) has developed into a complex agenda for societal transformation, including strong commitments to participatory

democracy, technological conviviality, an ethics of care, joie de vivre, and social justice.

If the decoupling problem is a Rubik's cube with two squares by two squares, degrowth has a few more layers, making it both more ambitious but also more difficult to implement. The questions are multiple and complex. How to organise a smooth shift from workers from fossil industries to decent, green jobs? How to reach international agreements on the use of alternative indicators of progress? How to finance the public budget, and especially a Green New Deal, with diminishing revenues from the taxation of market activities? These are important questions with unclear answers, even though [a growing number of scholars are working on them](#).

### **Difficult is better than impossible**

Degrowth may be difficult, but difficult is better than impossible. Besides, many of the problems concerning the sustainability of a post-growth economy are common to the ones of a green growth economy. For example, both would need to figure out how to best recycle, or how to find minerals to sustain a 100% renewable energy infrastructure.

The difference is that these problems would be easier to solve in a non-growing economy. Because degrowth is a sufficiency-strategy, it is ideally implemented ahead of an efficiency strategy such as those promoted in the decoupling literature. For renewable energy, for example, this means reducing energy demand as much as possible (e.g. by cutting waste, reducing car use, switching to vegetarian or vegan diets) and only then finding the most ecologically efficient way of satisfying this demand.

### **Radically different strategies**

And this is the key bit to understand: degrowth is qualitatively different from green growth. Green growth is a strategy to reduce environmental pressures within today's economic system, which means it does not question capitalism and neoliberalism. Degrowth, aims to reduce environmental impacts immediately while also containing the

aspiration to transition to a [radically different system](#).

If we're asking the question "efficiency or sufficiency," the answer should obviously be both, and that is where decouplers and degrowthers should spend more time identifying how their policies complement each other. But the growth question is more complex, having to do with fundamental issues of political economy regarding [property, money, and work](#). It is a question that cannot be brushed aside, simply demanding both sides of the debate to agree on a compromise that is analytically impossible to reach.

### **Better debates for better futures**

There will be more debates on the growth question. But what have we learned from the ones that have already happened? First, we need to be precise. Decoupling and degrowth are not only words but concepts, each with their own intricacies. Debating over strawmen is a waste of time that we cannot afford anymore.

Second, degrowth and decoupling are [not mutually exclusive](#). Some of the efforts deployed in the name of green growth should be encouraged, regardless of whether we believe in decoupling or not. In the same way,

certain policies championed by degrowth advocates should be welcome by green growth enthusiasts, if only because they facilitate the possibility of decoupling.

This being said, degrowth and decoupling have different ambitions and should be evaluated as such. While the decoupling issue is only a small part of the growth discussion, the opposite is not true. It is dangerous to spend all our time discussing the possibility of green growth when so many other problems need attention.

In the end, this is not a soccer game with two teams battling for score. This is a societal transition that requires both vision, pragmatism, and as many options as we have. Decouplers and degrowthers may never fall into agreement, but we must make sure that their debate generates useful insights to advance the discussion, and contributes to the one goal we all agree about: building a fairer and more sustainable economy.

*Timothée Parrique is the author of [The Political Economy of Degrowth \(2019\)](#) and the lead author of [Decoupling Debunked \(2019\)](#). You can follow his work [here](#) at and on Twitter at [@timparrique](#).*