

## What is the degrowth?

Economic growth and the consumption of commodities in industrialized countries, having peaked in the Sixties, have gradually slowed, and the traditional economic policy measures taken to rekindle this have not yet produced the expected results. The question arises as to whether these traditional methods will be able to do so in the future or if they will continue to be ineffective, in the sense that the crisis is not merely economic, but marks the end of a historical period, the boom of the industrial revolution which began in the eighteenth century.

These questions are based on the realization that worldwide industrial systems have reached such huge proportions that the biosphere is no longer able to supply the necessary resources and to process the waste emissions. Can the economic crisis be overcome without exacerbating the ecological crisis? Can the ecological crisis be tackled without aggravating the economic crisis? The answer lies in a new economic concept, focused not on economic growth, but on reducing the use of energy and resources, thus reducing the inevitable entropy generated by industrial processes.

### Degrowth in a nutshell

Degrowth is not recession. Nor is it the opposite of growth. It is the reversal of the assumption that infinite growth is the ultimate aim of economic and industrial activity. This concept began to take shape in the early 1970s from the reflections of growth critics following the realization of the negative effects of growth on the earth's ecosystems and human society. Parallel to this, our measure of growth, the gross domestic product (GDP) which serves as an indicator of a country's wealth and welfare was criticized. GDP represents the total monetary value of things and services exchanged for cash within a given period of time. This means that GDP measures the monetary value of products and services bought and sold in a given period of time, thus the commodities and not the goods, as we normally refer to them. The two concepts are different, but not mutually exclusive. The difference between "commodities" and "goods" can give rise to four types of relationship. First, there are goods which can only exist in the form of commodities, as they require advanced technology. Second, goods which can be something different from commodities in that they can be self-produced or traded within the context of community relationships in the giving and receiving of gifts. Third, goods which cannot be commodities: for example, relational assets, and finally commodities which cannot be considered goods as they don't respond to a need or fulfil any desire (waste).

Accounting for the monetary value of tradable commodities, GDP includes commodities that are not goods and excludes goods that do not fit the form of commodities: therefore it cannot be considered an indicator of well-being, but only of much-having.

The alternative to growth, therefore, is not simply replacing the plus sign with a minus sign in front of the GDP (degrowth is not the pauperism cited by some prejudiced critics), but the introduction of qualitative parameters in the evaluation of human work and of its products.

Degrowth is not only an obliged choice to avoid the worst. It is a cultural paradigm shift aimed at achieving a turnaround from “doing for doing's sake” devoid of any qualitative connotation, to focus on “well-doing”. It's a new way to go for a reduction of the commodification and consumption of materials and energy, and to improve the quality of our lives.

## **1. The negative effects of growth**

That planet Earth is unable to provide unlimited amounts of resources to be transformed into goods and commodities, neither to metabolize unlimited amounts of waste generated from production processes and products while they are used and when they become waste – is obvious, and not necessary to argue. It deserves at most the aphorism with which the British economist and naturalized American Kenneth Boulding dismissed it in 1966:

“Anyone who believes that exponential growth can go on forever in a finite world is a madman, or an economist.”

Today, almost half a century later, the consumption of renewable resources has exceeded the annual regenerative capacity of the planet. Some non-renewable resources essential for growth, in particular fossil energy sources, are no longer sufficient to support further increases in global demand; carbon dioxide emissions have triggered a climate change that could prove fatal to the survival of the human species; toxic wastes – solid, liquid and gas – have altered biochemical cycles and increased the incidence of malignancies in humans; biodiversity has declined and continues to decline dangerously; the humus content of soil has decreased and areas of mineralized land have increased.

The proposal of degrowth is therefore a logically inevitable deduction from the findings that:

1. it is conceptually foolish to make growth the aim of economic and productive activities
2. growth has exceeded the capacity of the biosphere to provide the industrial mega-machine resources needed to continue to produce increasing quantities of commodities and to metabolize the increasing amounts of waste created by that production;
3. it is necessary to quickly reduce resource consumption and the emission of waste to levels of environmental compatibility and to eliminate the production and emission of pollutants.

But degrowth is not only a forced choice to avoid the worst. It is also the way to usher in a new era of real progress, contrasting with the historical phase that has been closing in recent years. The starting point is the realization that the growth of production and consumption of commodities not only does not in itself constitute an improvement in the quality of life, but can sometimes cause a deterioration. Food that is thrown out is a commodity that increases GDP, but does not improve well-being: it increases the amount of waste and therefore exacerbates environmental damage. The American economist Simon Kuznets, who developed the indicator of GDP in the context of research promoted to overcome the crisis of '29 and who received the Nobel Prize in 1971 for this work, did not believe that this parameter could be considered as an indicator of well-being, as he said in a communication to the Congress of the United States. Starting from the fact that GDP, as a monetary indicator is able to account only for the economic value of commodities exchanged for money during a specified time period, the criticism of growth and the proposal of degrowth are based, theoretically, on highlighting the difference between commodities and goods. Commodities are things and services that are exchanged for money. Goods are things and services that meet a

need or satisfy a desire.

But not everything that meets a need or satisfies a desire has to be bought. There are goods that may not be commodities: they can be self-produced or traded in the context of community relationships based on gift and reciprocity, and assets that cannot be commodities: relational assets. There are goods that can be had only in the form of commodities, because they require advanced technologies, and commodities that are not goods, because they do not respond to any need or fulfil any desire: food that is thrown out and energy that is wasted in a poorly insulated building are commodities which become increasingly more expensive, but provide no benefit. Since it measures the monetary value of commodities traded with money, GDP includes commodities that are not goods and excludes goods that are not obtained in the form of commodities. But commodities that do not meet any needs do not improve well-being, whereas goods which are not bought, do. Contrary to popular belief – or the pretence of belief – GDP cannot be considered an indicator of well-being. The GDP of a society in which reciprocal exchanges, self-production and solidarity networks have a significant weight is less than that of a society in which you have to buy everything you need to live, but it is likely that the living conditions of its population are better. A society that extols competition between individuals, and therefore has high levels of litigation and a high incidence of legal costs, or that is having to spend large sums in works of environmental remediation has a higher GDP than a society where human relationships are collaborative, legal fees are lower and the environments have not suffered serious damage, but certainly the living conditions of its population are worse.

Therefore, GDP growth does not measure improvements in well-being, but only increases in “much-having” (not in “well-having”, as some growth critics claim, as the qualitative connotations attached to “well” or “ill” can only be applied to a state of being, whereas “having” can only be quantified in terms of “much” or “not much”). An economy focused on “much-having” cannot but generate “ill-being”, as industrial growth presupposes an increase in the consumption of commodities, so people are conditioned to conceive that buying things is the only purpose in life, to never be content with what they already have, to discard newly bought items more and more rapidly in exchange for even newer products which become available, to consider each innovation an improvement without which they can never be happy, and to envy those who possess more.

Degrowth is a cultural paradigm shift aimed at achieving a turnaround from “doing for doing’s sake” devoid of any qualitative connotation, in the direction of a focus on “well-doing”. Such focus involves contemplating what has been done and trying to add beauty to the original beauty of the world. This contrasts with viewing it a reservoir of resources to draw from, to plunder and then create a landfill of waste, without thinking about the consequences of such actions. Degrowth is like the work of a farmer who is grateful for fruit he eats from trees he didn’t plant, so he plants trees whose fruit he won’t eat himself.

Degrowth does not just propose less production and consumption, as claimed by some followers in rich countries who are outraged by the unacceptable inequalities between the excesses of consumerism of the 20% of humanity, to which they belong, and the lack of the necessities for a dignified life or simply to live, which afflicts 80% of the world population. If it was so, degrowth would still keep the quantitative parameters on which the equation of increased production and commodities consumption with well-being is based. The alternative to growth is not to replace the plus sign with a minus sign in front of the GDP, but to introduce qualitative parameters in the evaluation of human labour and what is produced. An evaluation in terms of quality requires in the first instance a selective reduction of the production of commodities which are not goods. But this is not enough. With an apparent paradox, a selective increase is required in the production of goods that are not commodities. Both aspects contribute to reduce growth through a reduction of the commodification and consumption of material and energy, while improving the quality of life of

human beings.

However, if it makes sense to aim for and promote degrowth to reduce disasters caused by the economy of growth as well as preventing or impeding factors that contribute to it, it makes no sense to propose replacing the current economic system which is focused on growth with an economic system focused on degrowth. We need to reverse the trend: reducing consumption of materials and energy, incentivating via economic and political measures the development of technologies that increase the efficiency of resource use and allow reuse of the materials contained in decommissioned objects instead of wasting, burying or burning them. At the same time there is a need to retrieve the know-how and competencies required to self-produce what is most advantageous to obtain in the form of goods rather than in the form of commodities, while reconstructing the forms of non-monetary exchange based on gift and reciprocity which, together with trade, have sustained human relations in all periods of history and in all parts of the world before the economy of growth extended commodification into ever increasing areas of human life and to an increasingly large percentage of the population of the planet.

Degrowth is the way to go to overcome an economic system based on growth and build an economy based on the second law of thermodynamics, in which work aims to reduce the entropy resulting from any process of transformation of energy and matter into goods necessary to satisfy the existential needs of the human species. The goal to be achieved through degrowth is the bio-economy theorized by one of the first critics of growth, Nicholas Georgescu-Roegen.

## **2. Critics of growth**

The first criticisms of the growth model were made almost simultaneously between 1971 and 1972 by three working groups related to three persons who had a different cultural background and professional experience: the Romanian economist and naturalized American Nicholas Georgescu-Roegen, the Italian industrial manager of international assignments at the highest levels, Aurelio Peccei, and the philosopher/theologian of Central European origin and citizen of the world, Ivan Illich.

In 1971, Georgescu-Roegen published the book *The Entropy Law and the Economic Process* in which the theory of bio-economy was formulated, i.e. an economy that took into account the second law of thermodynamics, and aimed to meet the needs of humanity while minimizing entropy: withdrawing from the biosphere only the amount of renewable resources that would not exceed their annual reproduction, limiting emissions metabolized by biochemical cycles in the quantities that they are able to metabolize (for example: carbon dioxide) and eliminating those emissions that cannot be metabolized (toxic substances and those that are non-biodegradable). To achieve these results, he believed that it was necessary to abandon the model of continued economic growth and start a trend reversal. The word degrowth was coined.

In 1972, it was published under the title *The Limits to Growth* a survey conducted by a team of researchers from the Massachusetts Institute of Technology for the Club of Rome, the association of professionals and intellectuals founded and headed by Aurelio Peccei. From the projections of a series of economic, ecological, demographic and social indicators, it was argued that in the early decades of the twenty-first century, the Earth would not be able to provide the resources necessary to sustain the continued economic growth of the years following the Second World War, and to metabolize the waste that would have been generated. To avoid collapse it would be necessary to control the environmental impact of production activities and develop technologies to reduce resource consumption and pollution emissions from industrial processes and products

In 1973, Ivan Illich published his book *Tools for Conviviality* in which, departing from the ideologies that simply highlight the contradictions of capitalist society, he analysed the destructive effects of the industrial mode of production which, having reached an advanced stage of mass production, reduces humans to being the raw material required to feed the industrial machine or tool. To overturn this situation, according to Illich it was necessary “to fundamentally reverse the industrial institutions, rebuild society from top to bottom”, create a convivial society “in which the possibility exists for individuals to use their own tools to realize their intentions.” It is the dogma of accelerated growth which justifies “the sacralisation of industrial productivity at the expense of conviviality. [...] The dictatorship of the proletariat and the dictatorship of the market are two political variants that conceal the same dominion of an industrial apparatus in constant expansion.”

The three critical analyses of growth were mostly ignored by politicians and representatives of the dominant thought in academic circles. Only the study commissioned by the Club of Rome received a number of allegations of unreliability. But over the years, these proposals were taken up and elaborated, at first, in consequence of the ecological crisis, by the environmental movement, then, following the economic crisis, even by academic scholars.

The critique of GDP as an indicator of well-being has taken two approaches. Some economists – Herman Daly, Nobel laureates Joseph Stiglitz and Amartya Sen, who with Jean-Paul Fitoussi coordinated the Commission on the Measurement of Economic Performance and Social Progress established in 2008 by the then French President Nicolas Sarkozy – have brought its insufficiency to light, because human well-being cannot be reduced to the satisfaction of material needs. To fill this gap, lists of indicators of quality of life have been drawn up and presented as an alternative to GDP, even if they do not aim to replace it but to support it. They are integrative parameters of GDP, which continue to consider growth as necessary but not enough for the well-being definition. A more radical criticism has been formulated by the movements that claim the need to abandon the focus on economic activities and productive growth. The first type of criticism has replaced the word “growth” with the word “development” combined with the adjective “sustainable”, and seeks to guide the economy towards a new model of development based on technologies that reduce the consumption of resources and the environmental impact of production processes. Such criticism, however, does not consider the fact that if the production of commodities continues to increase, the moment in which the economic and productive system will collide with the limits of the ecosystem of the planet is only delayed, but not avoided.

The second type of criticism is based on the inference that to avoid getting to that point of no return which is approaching, if not already reached, it is necessary to reduce resource consumption and waste emissions to levels consistent with the physiological ability of our ecosystem and, therefore, it is not enough to slow the growth, or make less impact with the use of more efficient and less polluting production: it is necessary to orient the economy towards purposes alternative to growth. This movement, which in Western countries is recognized as “degrowth” (while in Latin America it has been called *buen vivir*), intersects with anti-globalization movements, groups in favour of adopting local currencies, some sectors of the radical left, and some spiritual components of religious denominations. One of the best known exponents of this trend is the French economist Serge Latouche. From the same cultural context come Transition Towns, which promote energy self-sufficiency and food self-sufficiency of local communities in order to make them more resilient in the event of a collapse of the global economy, and the Footprint Institute, which calculates the ecological footprint, which is the Earth's bio-reproductive surface needed to sustain consumption and metabolize emissions from consumption of an individual or a group of people. Needless to say, the ecological footprint is proportional to the GDP per capita and the countries with the highest GDP per capita have an ecological footprint which exceeds the bio-reproductive capacity of their territory, which is why they are drawing on the resources of other parts of the world. From calculations of the ecological footprint it can be deduced that if all people had consumption levels

as in the United States, five planets would be needed to support them. If they had the level of consumption in Italy, - two.

### **3. Commodities and goods**

The proposal to base the critique of growth on an emphasis of the difference between the concepts of goods and commodities is the specific contribution of the Italian Movement for Happy Degrowth (Movimento per la decrescita felice: [www.decrescitafelice.it](http://www.decrescitafelice.it), [www.artedecrescita.it](http://www.artedecrescita.it)) to present discussions between the various groups who see themselves in the cultural, still forming ambit of degrowth. According to this proposal, for degrowth to fully express its potential as a global alternative not only to the economy of growth, but also to its system of values, to the patterns of behaviour, to the kind of scientific research and technological development it fosters, degrowth must first of all define the four possible types of relationship between commodities and goods:

1. Some commodities have no utility, do not respond to any need, and do not satisfy any desire: they are not goods;
2. Some goods can only be bought: they can only be in the form of commodities;
3. Some goods can be had without necessarily buying them in the form of commodities;
4. some goods cannot be purchased: they cannot have the form of commodities.

Only from this classification is it possible to support not so much that GDP is a poor indicator of well-being, but that it is not an indicator of well-being at all. Only by being aware of the difference between the concept of commodities and the concept of goods can we introduce elements of qualitative appreciation of human endeavour, avoiding confusion between degrowth and austerity or sobriety. If growth can be considered a factor in well-being only if “more” is identified with “better” (and this is not true), degrowth is not the identification of “less” with “better” (for that is not true either), nor is it the choice of “less” if it means “worse” for ethical reasons. That would suggest renunciation and renunciation implies a positive assessment of what you must give up. Rather it is the refusal of “more” when considering that it is worse and the choice of “less” when it is estimated that “less” is better. Degrowth is not pauperism, as some biased critics present. If it is based on the distinction between the concepts of commodities and goods, it presupposes hedonistic choices. Who are happier? People working around the clock to have an income that allows them to buy more things to throw out more and more quickly, or those who work less and spend more time with the people they care about, because they buy only what they need and can live with a lower income? Which one gives up something? Criticism of growth that is not based on qualitative analyses does not go out of a cultural context that identifies well-being with growth in quantity. If they argue that we must reduce consumption they assume that, having arrived at a certain level of material well-being, we can do without something. Enough is as good as a feast. But who can establish, argue the critics of degrowth, what is the level of consumption beyond which you can begin to do without something? Is it the same for everyone? Who decides which needs are essential and which are not?

These objections cannot be made in relation to commodities which are not goods. Food that is thrown out, energy that is wasted in a poorly constructed house – which need do they respond to? One decides not to buy a product or service that is not a good not in the name of sobriety, but on the basis of a rational assessment. Even more so if those commodities generate damage.

#### 4. Commodities which are not goods

Commodities which are not goods contribute to economic growth but do not improve well-being. Energy that is lost from windows, from the walls and attic of a poorly built house is a commodity that is bought and costs more and more, but it is not an asset because it does not heat the rooms. The greater wear of brakes and clutches for cars being driven in traffic jams increases the cost of maintenance, but no one believes that road congestion contributes to improving the quality of life because it increases GDP through the sale of auto parts and the work of auto repair shops. Just as no one thinks that the increase in the consumption of drugs, legal expenses or sales of materials needed to repair the bodywork of crashed cars is contributing to the improvement of well-being. Decreasing food waste decreases GDP, but the quality of life does not deteriorate. The management of a health system organized according to the care and not the prevention of diseases in Italy absorbs about 70 percent of regional budgets. A greater commitment to prevention would reduce morbidity and healthcare costs. A healthier population has a per capita GDP lower than a less healthy population. Are their living conditions worse for this?

The reduction of the production of commodities which are not goods, in addition to not worsening the quality of life, generates a series of improvements not otherwise obtainable. A building designed or renovated in order to reduce heat loss helps to reduce CO<sub>2</sub> emissions and the greenhouse effect. When one considers that in Italy, for winter heating alone, buildings consume an amount of energy equal to that used by all road transport in the course of a year and that reductions of 90% of the current average could be achieved, the extent of the benefits to be drawn from a decrease in consumption of this commodity that is not a good can be readily understood. If food waste is reduced, the amount of putrefying waste which has to be disposed of is proportionally reduced. If morbidity is reduced through prevention, health care costs and the purchase of medicines are reduced, so taxes can be reduced. GDP decreases, but well-being improves and the per capita income increases!

In addition to these advantages that belie the equation GDP growth = improvement of well-being, reducing production and consumption of goods which are not goods also involves decisive economic advantages, because:

- It requires the adoption of the most advanced technologies;
- It creates useful occupation;
- It pays for the investment costs with the savings on operating costs.

Building a highly energy-efficient house requires more advanced technology than for a less efficient one, such as low-emission double glazing, cavity wall and loft insulation, under-floor heating, solar PV panels, low-enthalpy heat pumps, systems, etc. The renovation of energy systems in pre-existing buildings, as well as reducing carbon emissions and the use of agricultural land for new buildings, responds to a real need, as fossil fuel reserves become more depleted and their price increases. Investment costs are repaid with a reduction in administrative costs and the creation of gainful employment. In industrialized countries, the renovation of energy systems in pre-existing buildings can thus be a key lever in overcoming the economic crisis, as it reduces the use of energy and materials. The number of unsold houses is already so high that not only is the construction industry suffering, but the construction of new buildings does not respond to any actual need: there is not enough demand to warrant the supply. Therefore it is not necessary to build new houses, but rather to develop new technologies to reduce waste and loss in pre-existing buildings.

Reducing the consumption of commodities which are not goods involves a selective decrease in

GDP, which leads to a reduction in entropy, improved well-being and an increase in purchasing power. If costs to purchase products and services that are not goods are reduced, with the same monetary income one is richer economically, or one can maintain the same standard of living with less monetary income.

## **5. Goods which can only have the form of commodities**

The goods of advanced technology, or that require specialized technical skills, can only have the form of commodities. A computer, a clock, an MRI, a foreign language course, must be bought. In relation to goods that can only be obtained in the form of commodities, degrowth is a meaningless option because it would involve a worsening of quality of life. Degrowth results in an improvement of the quality of life only in cases where less coincides with better. Indiscriminate degrowth is not conceptually an alternative to indiscriminate growth. It does not constitute a change in the cultural paradigm.

However, even in the context of the goods that can only be obtained in the form of commodities and without diminishing availability, you can create forms of degrowth with the design of objects that last longer, that can be repaired, or made more efficient by replacing only the components that increase efficiency. In this case, the cultural change is to overturn one of the pillars of the growth economy: the identification of progress with the gradual reduction of the time in which the raw materials pass in the state of commodities before they become waste. The technical instrument used to achieve this result is planned obsolescence, which is obtained in various ways: designing equipment that has reduced functionality after a certain number of hours or is not repairable, or, as happens with consumer electronics, designing more innovative components developed in ways that prevent their inclusion in existing appliances. Accelerating the process of replacement through planned obsolescence maintains high levels of demand and promotes the sale of increasing amount of commodities in the market, but it increases waste, resource consumption and international competition to control the flow, which, in case of scarcity (in addition to oil, coltan used in electronic equipment), creates increasingly bloody wars. In exchange for this damage, planned obsolescence offers questionable benefits, which must be supported by relentless advertising campaigns and the provision of consumer loans that progressively increase household debt.

In relation to the processes of replacement of goods that can be obtained only in the form of commodities, degrowth fosters the development of consumer awareness. Consumers can decode the illusory images transmitted by advertisements and put a stop to the frequency of replacements only if they learn about the problems (humanitarian tragedies, wars, environmental devastation) that occur in the places where the raw materials are procured and where the replacements are transformed into waste at the end of their useful life, and if they acquire an awareness of the environmental impact of work processes used to transform them into commodities.

Contrary to what some anti-degrowth critics say, no one is able to impose the forced reduction of consumerism, and the critics of growth would not do it even if they had the power to do so, because only autonomy of thought allows one to evaluate if and when it is more appropriate to postpone replacement of a good that you can only get in the form of commodity.

The growth economy needs “hetero-directed” people whereas degrowth can be pursued only by individuals free from external influences. If we do not allow ourselves to be duped by the mirages of advertising, if we can get rid of the instinctive attraction to innovations that come on the market at ever more frequent intervals just to keep up demand, if the goods which can have only the form of commodities are repaired whenever possible and made to last until they no longer work or if only innovative products that really offer superior benefits are marketed, we can be richer than those who

have a higher monetary income but squander it by frantically replacing things they have, even in the absence of significant improvements.

## **6. Goods which can not be commodities**

Although some goods and services can be obtained more advantageously not in the form of commodities, but through self-sufficiency or through non-market exchanges based on gift and reciprocity, economies aimed at growth cannot fail to induce, by definition, replacement of the self-produced goods and non-market exchanges with those of the merchant. Even when they are free choices, these substitutions were made almost inevitable through two types of interventions.

In the first place, we have uprooted the patrimony of shared knowledge that for millennia has allowed human beings to be self-sufficient in producing many essentials for daily survival: horticulture and livestock for their own consumption, the use of controlled fermentation to produce food and drink (bread, cheese, wine, beer), the techniques of preservation of perishable foods, maintenance and minor repairs, the basic techniques of sewing etc.. Within two generations, humans included in the economic systems aimed at growth have been deprived of these skills and have become totally dependent on the market for the satisfaction of basic needs. This process of cultural impoverishment and loss of autonomy has been peddled and lived, on a mass level, as a trend of emancipation from the sad necessity of working to produce what is needed to live, while at the same time it has been exalted a way of living by jobs that have nothing to do with the satisfaction of basic needs, but offer in exchange an income with which you can buy goods in the form of commodities that you no longer have the time nor the ability to self-produce. In fact, in this passage the losses were greater than the advantages, not only because self-produced goods cost less and were of better quality than commodities that have replaced them, but mainly because the distinctive feature of the human species has been diminished: the ability to make useful things that do not exist in nature, using the hands with the guidance of planning intelligence, and the ability to improve them by rearranging the information that the hands, when they work, offer the intelligence through the two functions of touch and prehension. Much more precise than what is offered by the eyes.

The second way in which the dependence of individuals on the purchase of commodities has increased, has been by the destruction of the protective network offered within a community by the relationships based on the gifts of time and reciprocity. Also this process has isolated individuals forcing them to buy services that were previously exchanged without the intervention of money has been sold on a mass level as a process of emancipation, when in fact it has posed an additional constraint on the autonomy of people, increasing their dependence on the market and transforming all relationships into business: relations that are competitive, rather than cooperative. This is not to say that community relations are not limiting in some respects and lay no constraints on individual freedom, but their basic limitation for economies aimed at growth is the fact that, like self-sufficiency, they reduce opportunities to extend the commodification of products and services.

What is exchanged in the form of gift and what is produced self-sufficiently does not grow GDP. But if economic growth has received a major boost through a move from reciprocity and self-sufficiency, the quality of human life has deteriorated. The revaluation of “know-how” and relationships based on reciprocity and gift can make a decisive contribution not only to degrowth that improves the quality of life, but also to overcome the anthropological mutation that, as written by Pier Paolo Pasolini in an article published in 1975, reduces human beings to automatons, often unpleasant and ridiculous, who live

– from the point of view of the quality of life, behaviour and values – in a state, as it were, of

imponderability: one that encourages them to favour, as the only possible existential act, the consumption and satisfaction of their hedonistic needs.

Very stimulating reflections on the importance of know-how and of supportive relationships, which reduce dependence on commodities and need to be rediscovered to live a more fulfilling life, have been developed by the American sociologist Richard Sennett in his two books: *The Craftsman* and *Together -Rituals, pleasures and politics of collaboration*.

Within a model of self-sufficiency, measure is inherent, because to produce more than what is needed is a wasted effort, whereas in the production of commodities for sale, excess is inherent, because the more you sell, the more you earn so the more you produce.

Self-production of goods implies respect of the environment in which we live and from which we get what we need to live. Self-sufficiency therefore has a qualitative connotation: it is a form of “well-doing”. If you produce for the market, the goal becomes growth of production, with techniques that enhance productivity even if they have negative effects on biogeochemical cycles. “Doing” loses its connotations of quality.

Products for self-consumption should not need to be transported, thus helping to reduce fuel consumption, and they do not need packaging, thus also reducing waste. Exchanges based on gift and reciprocity foster a decrease in the amount of commodities that must be purchased and, therefore, the amount of monetary income needed to live. Reverting to self-sufficiency and non-market trade is essential to reduce the consumption of materials and energy according to the bio-economic perspective indicated by Georgescu-Roegen. In addition, it retrieves skills and ways of relating with others that are inherent in human nature and contribute to well-being, but are mortified by growth economy, which makes the cultural revolution of degrowth even desirable.

## **7. Goods which cannot be commodities**

In the famous speech given on March 18, 1968 at the University of Kansas during the campaign for the presidential election, Robert Kennedy said that GDP “measures everything except that which makes life worth living”. He was referring to creativity and human relations, family ties in particular, which represent the core of community relations, shaken but not entirely dismantled by commodification.

GDP does not take into account the health of our families, the quality of their education or the joy of their play. It doesn't include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate [...] neither our wit nor our courage, neither our wisdom nor our learning, our compassion or our devotion to our country.

In reality, economic systems geared towards GDP growth don't simply ignore the irreplaceable elements which make up human well-being, such as romantic or loving relationships, solidarity and empathy towards others. In fact, they devalue them, perceiving them as distractions from total dedication to productivity. This is not out of cynicism, but because they believe and wish others to believe that productivity is the best way of measuring well-being. To ensure that the best part of our energy is dedicated to work, they entrust some institutions with the management, in the form of commodified service, of our most intimate relationships, which in the past humans have always experienced within the family. Men were the first to be deprived of any family-oriented connotation. Fathers, sons, brothers and husbands were reduced to commodity producers. Their key role became the worker and breadwinner. The most obvious consequence of this fall in status was the loss of the father figure, which created serious problems in our children's education, as well as

having serious implications on social disintegration. The reduction of the family role was then gradually extended to women, and the family has been transformed from a community unit into a shopping machine, dependent on the market in order to satisfy the basic needs of its components.

Relational goods, creativity and spirituality are much more important for the welfare of people than increases in income, and happiness, as has been demonstrated by numerous empirical studies, is not significantly affected by changes in income. In particular, in 1974, Richard Easterlin, professor of economics at the University of Southern California and a member of the National Academy of Sciences, has documented that while an increase in income increases human happiness up to a certain point, it then begins to decrease, following an inverted U-shaped curve. The result of this research contradicts the assumption of the fundamental value system that identifies well-being with the growth of GDP, so it was called the paradox of happiness. In reality it is just a confirmation of the fact that an economy aimed at “much-having” detracts from “well-being” and generates “ill-being”.

If an increase in income does not increase happiness, while the quality of human relationships, creativity and spirituality are so important to the welfare of people, well-being will be increased through a reduction in working time and an increase in time dedicated to relationships. The transition from growth to selective degrowth of commodities that are not goods, the reduction of the commodification of human relationships, and the recovery of a community dimension based on gifts of time and reciprocity starting from the family, are essential factors for an improvement in well-being. An economy freed from the dystopia of infinite growth allows time to be rearranged in three ways: the time required to produce commodities from which you get the money to purchase goods that can be obtained only in the form of commodities; the time required to produce for self-sufficiency; and the time for relationships, creativity and spirituality.

## **8. A cultural paradigm shift**

Even if it is proposed as an alternative to economic growth, degrowth has an intrinsic philosophical value: it helps to define a system of values, provides criteria for interpretation of reality, directs scientific research, technology and patterns of behaviour. It presupposes a change in the cultural paradigm that for two and a half centuries has resulted in uniform ways of thinking, evaluating and acting in industrialized countries. There are two cultural foundations which, as we have seen, have shaped the collective imagination of this part of the world: the identification of wealth with money and the value of innovation. Both are, in fact, pre-judgments based on the identification of well-being with the growth of commodity production which can be challenged when the inconsistency of this equation is demonstrated.

Money is the measure of wealth only in a society that tends to commodify everything, because if you have to buy all you need in order to live, or if goods can only have the form of commodities, he who has the most money is richest since he can buy more. Money is the only measure of wealth in societies that pitch their economy to GDP growth. People who are semi-self-sufficient and engage in exchange based on gift and reciprocity, need money to buy those goods that you can only have in the form of commodities.

In economies aimed at growth, local organic farming has been replaced by chemical agriculture and by the globalization of markets, which require large amounts of fossil fuels for: the synthesis of nitrogen fertilizers, irrigation, construction and operation of agricultural machinery, cold storage and transport. The end result is that for one calorie of food consumed, from 5 to 12 calories of fossils are required. The increase in the price of oil and the amount of growing surfaces of arable land used for biofuel production have increased the prices of agricultural products by 170%

between 2002 and 2012 and in all probability they will increase further in the future. That being the case, who is better off – a family with higher money income who must buy all the food they eat, or a family with lower money income, giving and receiving within their own community, producing their own organic fruit and vegetables or buying them from farmers in the vicinity through a cooperative buying group, thus lowering the cost of shipping and the brokerage business, and reducing the need to purchase other products and services? If Russia and Libya, suppliers of natural gas to Italy, decided to interrupt that supply, who would prove richer – a family with higher income that is in need of this commodity or a family with less money income who grow trees to feed its stoves? What value is a lot of money if you cannot find the commodity you need on the market?

Is it a coincidence that the economy aimed at growth, from its very beginning in England in the eighteenth century, has made a ruthless war against the peasants, bringing in vexatious laws to prevent them continuing to live in self-sustaining ways and forcing them to become producers and consumers of commodities within cities? When the recovery of forms of self-sustainability and non-market exchanges is proposed as a partial replacement of the purchase of commodities, reactions range from a Pavlovian smile of pity to the accusation that it will resurrect a past of misery and hardship. The equation of wealth with money is an incontrovertible taboo, even if in Mediterranean imagery it has been desecrated by King Midas's myth. Our life does not depend on the the gap between Italian and German 10-year government bond yields (the so-called "spread") or by the stock exchange, but on photosynthesis. Wealth is not measured by the ability to buy food for the table, but with the ability to put food on the table. The fact is that food bought increases GDP, whereas self-produced food decreases it.

The value given to innovation is the other pillar on which the cultural paradigm of growth rests. Its importance stems from the fact that technological innovations enhance both the growth of production (through improved production processes which increase yield) and the growth of consumption (through improved aesthetics and other aspects of design or restyling). How could the high propensity to consume much more than what is needed to live well be maintained, if in their collective imagery, people were not rooted in the idea that every innovation is an improvement, if the meaning of the adjective "new" had not had added to it the connotation of "the best", if progress was not seen as the speed with which innovations succeed? In fact, the promotion of innovation has devastating effects both in regard to the biosphere, because it progressively increases the consumption of resources and production of waste, and against individuals, because novelty is a value that does not last and is constantly undermined as more and more new innovations appear, so one can never be satisfied with what one has. Advertising feeds this state of dissatisfaction and identifying innovation with improvement has become a conditioned reflex so that sometimes the promotion of a product is made highlighting only that is new without explaining what constitutes its novelty or what benefits it contributes. It is enough to present it as new to make it desirable

Within the model of degrowth, criticizing new products does not entail valorizing old ones. If this were the case, it would use the same criteria as the cultural paradigm of growth, simply reversing the result. Given that degrowth effectively aims to move the economic processes toward the reduction of entropy, the only criteria in which coherent innovations can be valued as contributing to the goal of degrowth is the analysis of their future capabilities. If they have fewer future capabilities than the product they replace (for example, the use of energy systems to regulate air-temperature within buildings instead of the traditional constructive methods aimed at reducing heat loss to the outside environment), the value is negative. If their future capabilities are wider (for example, low-emission double-glazed windows instead of basic windows) then the value is positive.

Degrowth is not in the sector of progressives, where all the supporters of growth crowd and jostle (even those who define themselves as politically conservative), where each group and subgroup claims to be the most progressive and addresses to the other the terrible accusation of being

conservatives. Why should we not keep the good things? Proponents of degrowth, unlike progressives of all shades, re-evaluate the value of conservation, but they are not a priori conservatives. They belong to a species not covered by the cultural paradigm of growth.

January 2013

Translation from Italian into English: Shona Butterfield; Revisions: Paola Dellavalle and Andrea Bertaglio, April 2014