Green Growth vs. Degrowth: two irreconcilable visions of the green economy? [1]

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To grow or not to grow, that is a controversial question in the green economy debate. This was made particularly clear at a captivating debate organized by Zeppelin University [2] in cooperation with the Heinrich Böll Foundation [3]. The two speakers were Ralf Fücks, member of the Heinrich Böll Foundation and author of “Smart Growth: The Green Revolution” and Dr. André Reichel, researcher at Zeppelin University and degrowth activist.

The moderator emphasized the similarities between the two speakers: they are both members of the German Green Party (Alliance ’90/The Greens [4]), and both work towards the common goal of a sustainable society. However, their approaches are radically different. Ralf Fücks believes that the world economy should continue growing, but in a more sustainable way. Conversely, Dr. André Reichel is convinced that economic growth is passé and that we should focus on cultural and social changes.

Green New Deal

Ralph Fücks [5] was first at the pulpit and presented his vision of green growth with much data to support his opinion. He stressed that the world economy will certainly double (if not triple) in the upcoming decades. Combined with a boom in urban population and an expanding middle class worldwide, there will be a significant demand for more products and services. He insisted that there is no doubt that the economy will grow, and that we should rather focus on how it will grow. Ralf Fücks believes that we must decouple growth from resource use, and that three operations are crucial to do so:

1. The transition from fossil fuels to renewable energy.
2. An increase in resource efficiency.
3. A circular economy in which waste does not exist.

According to Ralf Fücks, the three main actors who can make this happen are businesses, policy-makers and civil society. Civil society must be active, require social change and make informed consumption choices in order to exert pressure on businesses and policy-makers and steer them in the right direction.

**Post-growth**

Dr. André Reichel [6] retorted by questioning some of the assumptions on which the green growth vision is based. Firstly, he claimed that the rate of economic growth we have observed in the past decades was the exception rather than the rule; the “sluggish” economy we are currently experiencing is a new reality and we can expect a return to 19th century levels of growth. Dr. André Reichel stated that big banks and businesses unanimously predict a decrease in growth rates. Secondly, he explained that emerging economies will not be able to grow at levels comparable to the 1950s and 1960s as resource prices are steadily increasing. Dr André Reichel also challenged the idea that innovation can make growth sustainable, arguing that innovation has slowed down since the beginning of the 21st century and that groundbreaking new technologies are appearing at slower rates.

Dr. André Reichel then shifted his focus to social issues and criticized the green growth strategy for not adequately addressing social issues and simply maintaining the status quo while making it a little “greener”. He concluded that Europeans have the opportunity to be an example to emerging economies, and that several grassroots movements, such as transition towns [7], are already working across the continent to change our society.

**Conflicting visions**

A heated debate followed the two presentations, fueled by questions from the audience. Many different themes were covered, but some recurring “hot topics” emerged from the discussion.

**CO₂ goals**
Both parties agreed that dramatic reductions in CO₂ emissions are required to stay below the 2°C warming limit [8] and avoid irreversible effects on our climate. Ralph Fücks stressed that it is impossible to tackle this challenge using only microeconomic initiatives. Contrarily, Dr André Reichel stated that our current rate of change shows that innovation is not enough to decrease emissions in due time, and that only changes in behavior (e.g. less driving) have created significant results so far. Ralph Fücks claimed that a green growth strategy would include legal instruments that would reduce emissions by stimulating innovation.

**Social change**
The two speakers had different visions of social change. On one hand, Ralph Fücks claimed that it is unrealistic to ask people to give up their current lifestyle and that it is dangerous for a government to start dictating behavior, which could lead to ecological authoritarianism. On the other hand, Dr. André Reichel insisted that Germans and Europeans have the chance to set an example for new cultural and social norms in which well-being is not tied to economic growth.

**Measuring growth and well-being**
Two different participants enquired about the precise definition of growth and whether the speakers were debating in terms of GDP, well-being or another indicator. This was not explicitly answered and illustrates the issue of measurement in the green economy debate. This issue is the focus of the NETGREEN project [9], which aims to collect and describe indicators for a green economy in order to promote their use and identify gaps in research. No matter which pathway we choose towards a sustainable world economy, we must be able to measure our current status and our progress.
towards that goal.

**A temporary truce**

Despite green growth and degrowth falling under the overarching green economy theme, it seems that each school of thought is highly critical of the other. This was visible not only in the interaction between the speakers but also in the interventions of the public. In a few isolated cases, the green growth vision was called a neo-liberal technocratic fantasy and the degrowth movement was compared to an authoritarian socialist vision.

Nonetheless, the two visions have a lot in common and some members of the audience commented that the visions may not be as mutually exclusive as they seem. In fact, they even suggested ways of combining them. One suggestion was to embrace green growth as a transition until degrowth, the ultimate solution, can effectively happen. Another view was that green growth is the solution, but degrowth is a good plan B.

While the discussion was eventually brought to a peaceful end by the moderator, the debate is far from over.

*Note:*

*This event took place on March 14 2014 in Berlin and was titled “Green New Deal oder Postwachstum: Welches Konzept schafft die ökologische Kehrtwende der Kapitalismus?”. The debate was held in German.*

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