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# Do We Need to Shrink the Economy to Stop Climate Change?

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**By Spencer Bokata-Lindell**

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If there is a dominant paradigm for how politicians and economists today think about solving climate change, it is called green growth. According to green growth orthodoxy — whose adherents populate European governments, the Organization for Economic Co-operation and Development, the World Bank and the White House — the global economy can both continue growing and defuse the threat of a warming planet through rapid, market-led environmental action and technological innovation.

But in recent years, a rival paradigm has been gaining ground: degrowth. In the view of degrowthers, humanity simply does not have the capacity to phase out fossil fuels *and* meet the ever-growing demand of rich economies. At this late hour, consumption itself has to be curtailed.

Degrowth is still a relatively marginal tendency in climate politics, but it's been attracting converts. In 2019, more than 11,000 scientists signed an open letter calling for a “shift from G.D.P. growth” toward “sustaining ecosystems and improving human well-being.” And in May, a paper published in the journal *Nature* argued that degrowth “should be as widely and thoroughly considered and debated as are comparably risky technology-driven pathways.”

Here's a closer look at the debate.

## The case for degrowth

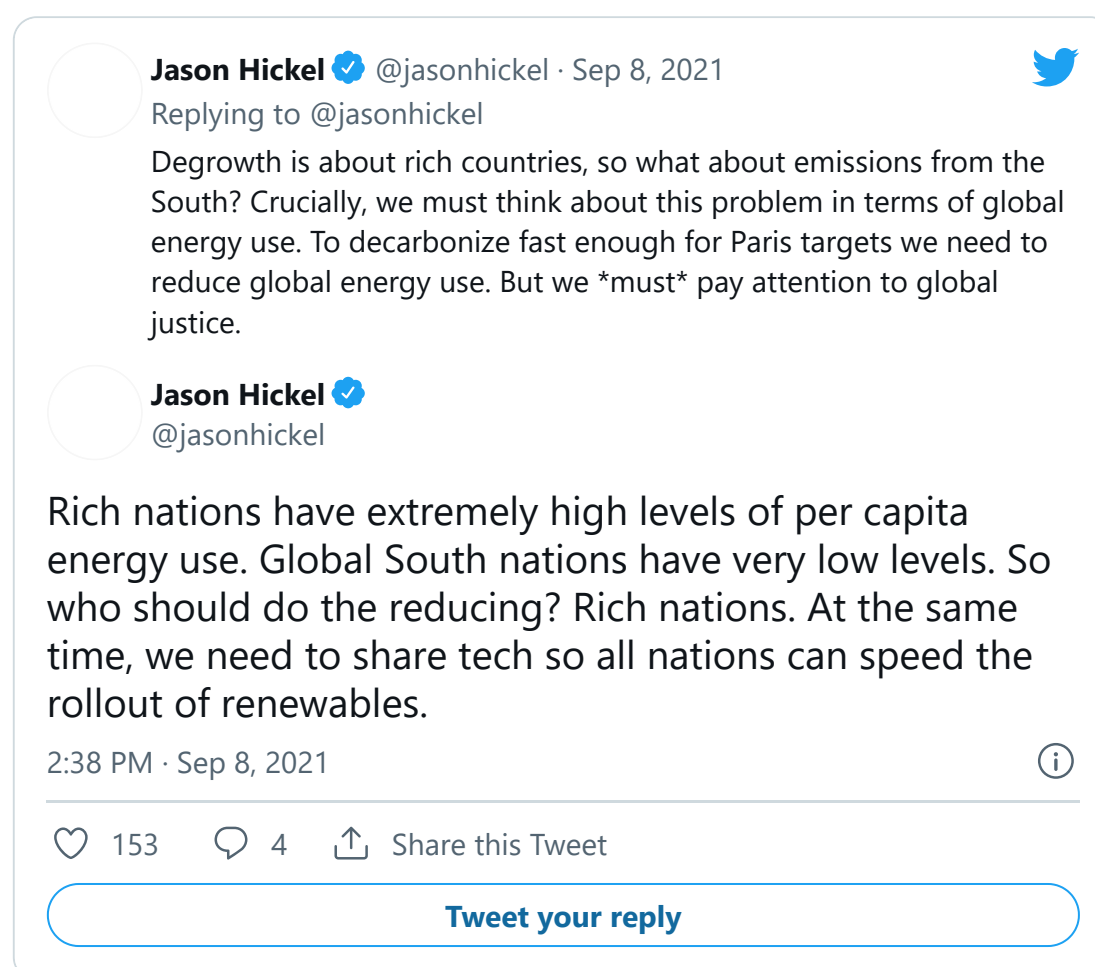
Perhaps the most prominent proponent of the degrowth movement is Jason Hickel, an economic anthropologist and the author of “Less Is More: How Degrowth Will Save the World.” Degrowth, as he defines it, “is a planned reduction of energy and resource use designed to bring the economy back into balance with the living world in a way that reduces inequality and improves human well-being.”

**His argument against the green growth framework rests on two key premises:**

- There is no historical evidence that G.D.P. can be completely decoupled from material resource use. In other words, human economies cannot grow infinitely on a planet with finite resources.
- G.D.P. *can* be decoupled from greenhouse gas emissions by replacing fossil fuels with renewable energy, but that decoupling isn't happening fast enough.

The requisite solution, in Hickel's view, is to reduce resource and energy consumption, which will make it easier to rapidly transition to renewable energy in the short time humanity has left to avert 1.5 degrees of global warming. But this imperative would not apply equally across the globe:

- Climate change is being driven primarily by the cumulative historical consumption of the Global North, so he argues it is incumbent on rich countries to shrink their economies. (The disproportionate responsibility advanced economies bear for climate change is also why Hickel rejects calls for population control in poorer countries as "completely backward": "We do have a population problem, it's true," he said in 2018. "But it has nothing to do with poor countries. The real problem is that there are too many rich people.")
- That retrenchment, in turn, would create space in the global carbon budget for poorer countries to continue growing, which they still need to do to lift their populations out of poverty.



Critics of degrowth have analogized the project to economic austerity or forced recessions, which tend to cause broad-based suffering and worsen inequality. But those negative effects, Hickel says, are merely the predictable disaster that ensues "when growth-dependent economies stop growing."

**Degrowth, by contrast, calls for a different kind of economy altogether**, one that could improve people's livelihoods despite a reduction in aggregate activity: It seeks to scale down "ecologically destructive and socially less necessary production" (such as S.U.V.s, weapons, beef, private transportation, advertising and consumer technologies that are designed to obsolesce) while expanding "socially important sectors" like health care and education.

Among the policies Hickel proposes to create such an economy are shortening the workweek, introducing a job guarantee with a living wage, shifting workers out of declining industries and the decommodification of goods like housing that people need to live dignified lives.

**'A fantasy that distracts us from real efforts to save the planet'**

In a recent newsletter, the economist Noah Smith took degrowth's main arguments to task in a defense of green growth:

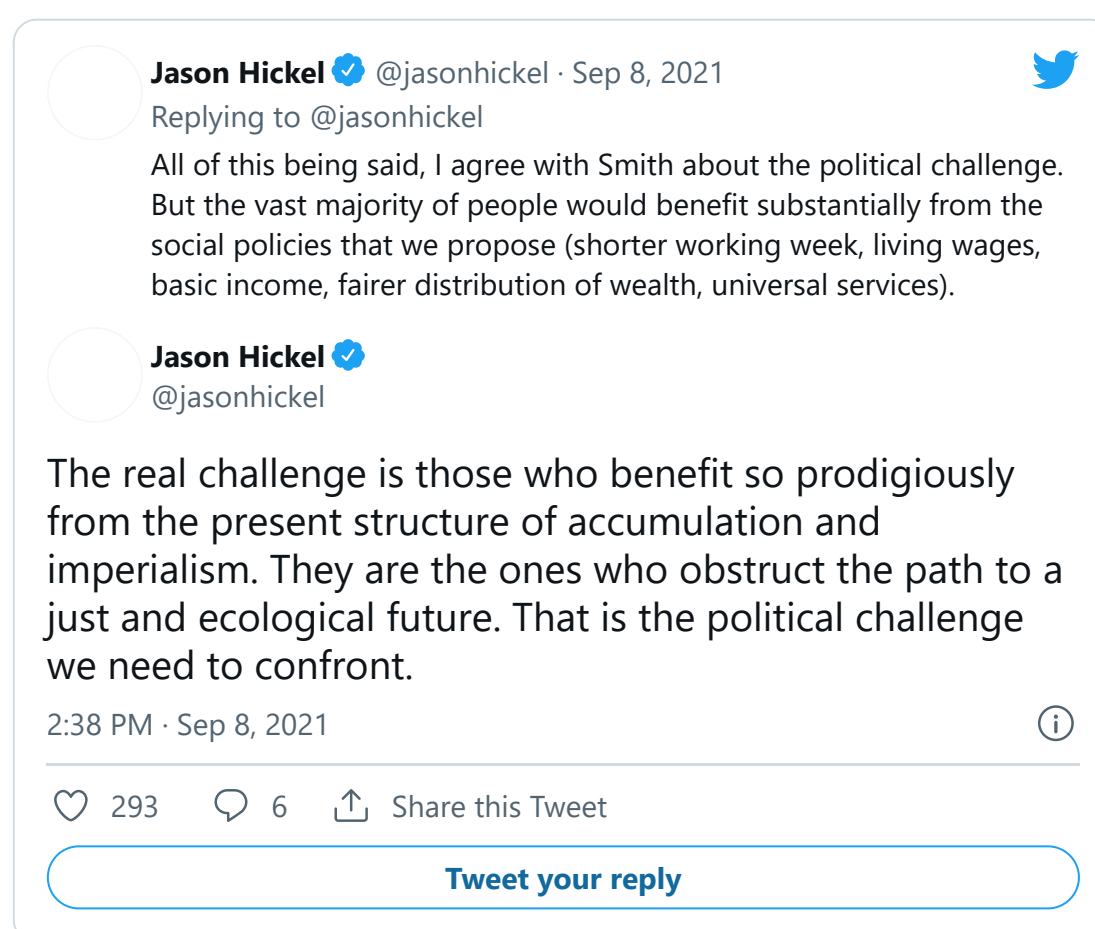
- First, he says economic growth can, in fact, be decoupled from resource use: “We can keep raising everyone’s standard of living without exhausting the planet’s resources. Because growth doesn’t just mean using more and more stuff; instead, it can mean finding more efficient ways to use the stuff we have.” (Hickel dismisses the claim as a hypothetical.)
- Second, and more directly pertinent to climate change, Smith says that decoupling G.D.P. from greenhouse gas emissions is not just possible, as many degrowthers acknowledge, but already happening: Since 2005, 32 countries, including the United States, have managed to do it, according to the Breakthrough Institute.

**Smith agrees with Hickel, though, that emissions decoupling isn’t happening fast enough.** The question, then, is whether degrowthers offer the correct prescription for reaching carbon neutrality on a shorter timetable.

My colleague Ezra Klein doesn’t think so. The unacceptably slow pace of the transition to renewable energy, he argued on a recent podcast, is a political problem, not a technological one. And on the politics, degrowth is a much tougher sell than green growth.

The degrowth movement is “attacking the flaws of the current strategy as not moving fast enough when the impediments are political, but then not accepting the impediments to its own political path forward,” he said. “I think that if the political demand of the movement becomes you don’t get to eat beef, you will set climate politics back so far, so fast, it would be disastrous. Same thing with S.U.V.s. I don’t like S.U.V.s. I don’t drive one. But if you are telling people in rich countries that the climate movement is for them not having the cars they want to have, you are just going to lose.”

This is an argument Hickel takes seriously:



New York magazine’s Eric Levitz agrees that “Americans might well find themselves happier and more secure in an ultra-low-carbon communal economy in which individual car ownership is heavily restricted, and housing, health care, and myriad low-carbon leisure activities are social rights.” But, he adds, “nothing short of an absolute dictatorship could affect such a transformation at the necessary speed. And the specter of eco-Bolshevism does not haunt the Global North. Humanity is going to find a way to get rich sustainably, or die trying.”

## Forgetting about growth

At the moment, degrowth has no mass constituency. But some of its animating ideas are nonetheless exerting an influence on political economic thought — particularly the critique of G.D.P. growth as the lodestar of human progress.

“Even within mainstream economics, the growth orthodoxy is being challenged, and not merely because of a heightened awareness of environmental perils,” John Cassidy wrote in *The New Yorker* last year. “After a century in which G.D.P. per person has gone up more than sixfold in the United States, a vigorous debate has arisen about the feasibility and wisdom of creating and consuming ever more stuff, year after year.”

**What’s the alternative?** Kate Raworth, an English economist, has identified one option: “doughnut economics.” In Raworth’s view, 21st-century economies should abandon growth for growth’s sake and make it their goal to reach the sweet spot — or the doughnut — between the “social foundation,” where everyone has what they need to live a good life, and the “environmental ceiling.”

“The doughnut model doesn’t proscribe all economic growth or development,” Ciara Nugent explains in *Time*. “But that economic growth needs to be viewed as a means to reach social goals within ecological limits, she says, and not as an indicator of success in itself, or a goal for rich countries.”

Raworth’s ideas have had real-world impact: Last year, during the first wave of the pandemic, Amsterdam’s city government announced it would aim to recover from the crisis by adopting the precepts of “doughnut economics.” A year before that, Prime Minister Jacinda Ardern of New Zealand announced her country would prioritize its residents’ welfare and happiness over G.D.P. growth.



**Even in the United States, which has embraced no such policy, G.D.P. growth has slowed in the past two decades,** largely because of falling birthrates and a switch in spending patterns from goods to services.

That hasn't solved the problem of America's addiction to fossil fuels, of course. "Yet the sorts of policies on offer from degrowth advocates — like universal basic services and shorter working hours — could help address some of the long-standing ills now afflicting a wide range of economies," Kate Aronoff writes in *The New Republic*. "Rather than chasing an increasingly far-off goal by trying to coax forth elusive corporate investment with giveaways, governments could start planning for what a fairer lower growth, lower carbon future might look like."

*Do you have a point of view we missed? Email us at [debatable@nytimes.com](mailto:debatable@nytimes.com). Please note your name, age and location in your response, which may be included in the next newsletter.*

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