Chapter 51
From welfare states to planetary wellbeing

Ian Gough

Abstract

This final chapter concentrates on global environmental challenges to rich-country welfare states: climate breakdown and associated ecological disasters. These common threats add two new *raison d'êtres* for welfare states. First, that the security and equity they seek should be *sustainable* through time; second, that their scope is broadened to take account of *global* equity and wellbeing. These fundamental questions have, with a few notable exceptions, been ignored in the social policy community. I argue here that we need to transform our understanding of social policy in four ways, each more difficult than the previous one. First, to develop novel eco-social programmes to tap synergies between wellbeing and sustainability via transformative investment programmes such as a Green New Deal. Second, to recompose consumption in rich countries in two ways: to realise the best principles of the welfare state by extending the range of universal basic services, and to work towards a private 'consumption corridor' to end waste, meet basic needs and reduce inequality. Third, we must develop strategies of 'reduce and redistribute' to adapt welfare systems for a future of slower, if not negative, economic growth. And last, we need to develop a global equity framework to meet climatic and ecological threats in a globally just way that recognizes current international inequalities.

Keywords: climate change, ecology, sustainability, justice, global equity, eco-social policy, consumption, post-growth

Introduction: the dilemma

The central concern of social policy can be characterised as the distribution of resources, incomes and services to achieve more equitable and humane social outcomes. In the last century, especially following the Second World War, this concern became institutionalised in national welfare states, though of a bewildering variety. This Handbook provides an unrivalled survey of the philosophical justifications underlying the welfare state, the approaches, methods and disciplinary perspectives of comparative social policy research, the historical development and driving forces of the welfare state, its past achievements, contemporary challenges and likely future developments.

This final chapter concentrates on the central global environmental challenges: climate breakdown and associated ecological disasters. Some scenarios are apocalyptic, others merely extremely threatening. All will impact on social policy: at the global level, in the global South and in the global North. I will focus mainly on social policy in the global North, the original OECD world, the rich countries of the 'West'. Notwithstanding the precarious situation we face, the chapter aims to be positive and creative.

These common threats add two new *raison d'êtres* for welfare states. First, that the security and equity they seek should be *sustainable* through time: the wellbeing of our children, grandchildren and future generations should figure in their design. Second, given the planetary scale of climate heating, biodiversity loss, rising sea-levels and so on, the scope of welfare policy must somehow be broadened to take account of *global* equity and wellbeing, however difficult this is to conceive. These two extensions of vision and concern are hard enough: but they raise a third set of questions – that existing welfare states in the 'global North' may be part of the problem, rather than the solution.

The planet is already heating up; the average temperature today is 1.1°C above 19th century levels. The agreed goal to avoid dangerous climatic breakdown used to be set at 2°C increase, but the Intergovernmental Panel on Climate Change (IPCC) now regards a heating limit of 1.5°C to be a safer option. Thus we are already over two thirds of the way there and global greenhouse gas emissions continue to rise year by year. Moreover the effects of heating on the planet are happening right now from the Arctic to the Amazon – melting in the polar regions and glaciers, record temperatures and forest fires, hurricanes and floods, drought and relentless rise in sea-levels. Monitoring of human wellbeing shows impacts on health, food security, water availability, insecure livelihoods, distress migration and more. The IPCC warns of 'severe, pervasive and irreversible impacts for people and ecosystems'.

So the need is for the rise in net global emissions to be slowed, reversed and then eliminated at dizzying speed. The UK government has set the goal of net zero emissions by 2050, others call for 2040, 2035 or even 2030. But none of this is happening. The basis for any zero-carbon target is the global 'carbon budget'. This is the amount of carbon that can be emitted into the atmosphere from now until the end of this century, usually measured in terms of tonnes of carbon dioxide (CO2). The most recent IPCC estimate of the available global carbon budget (from the end of 2017) that would offer a 66% chance of remaining within the 1.5°C warming target is 420 GtCO2 (billion tonnes of CO2). A simple pro rata allocation of this budget suggests that the UK's share should be about 2.9 GtCO2. In 2018 the UK's consumption-based emissions (about which more below) were around 590 MtCO2, suggesting that the UK's ability to emit any carbon would be exhausted by 2023, just three years time (Jackson 2019).

Put another way, dividing the global budget equally between all 7.6bn humans today and dividing by the years left this century, gives a global personal allowance of 0.7 tonnes per person per year (http://www.theprogressmotive.org/). At present the annual consumption emissions of the average person in the UK is 12.1 tonnes - *seventeen* times higher than the sustainable level in an equal world. A vast gulf.

This is the fundamental dilemma facing traditional welfare states, yet the literature discussing it within the social policy community is sparse in the extreme. With a few notable exceptions the study of social policy has shown little interest in the biophysical environment and planetary constraints. Notable among the exceptions have been Tony Fitzpatrick and Michael Cahill (eg. 2011, 2014a), the contributors to their edited books (eg. 2002, 2014b), the work of Max Koch and colleagues (eg. Koch and Mont 2016) and Tuuli Hirvilammi (eg. 2013, 2014), including their new joint special issue of *Sustainability* on *Sustainable Welfare beyond Growth* (forthcoming) and the current research directed by Hvinden and Mi Ah (forthcoming). The following draws on my own work in this field, notably *Heat, Greed and Human Need: Climate change, capitalism and sustainable wellbeing* (Gough 2017b). [1]

[1] Scholarship on the intersection between sustainability and equity within environmental limits is of course burgeoning, but it has emerged from different intellectual traditions, including environmental economics, ecological economics, political philosophy, political science, sociology, anthropology, development studies, international relations, systems theory, futures studies and many more. It is impossible to summarise this work here but see for example the essays in Rauschmayer et al 2011 and Meadowcroft et al 2019. There is vibrant work on the health implications of climate heating and ecological limits, as in *The Lancet Countdown on health and climate change* (Watts et al 2019) and associated publications, and a few tackling the implications for health care systems (Fischer 2016) and pensions and social security (Bailey 2015, Strunz and Schindler 2018, Borowy 2019). See also the work of Lucas Chancel (2017).

A safe and just space for humanity

One starting point for an alternative and a way forward is Kate Raworth's (2017) 'doughnut' or lifebelt – Figure 1. It identifies a 'safe and just space for humanity between two circles. The outer circle specifies the nine planetary limits identified by the Stockholm Resilience Centre. Climate change or global heating is only one boundary and there is growing awareness of others, notably biodiversity loss, but it is the one I focus on in this chapter.

The inner circle is more familiar to students of social policy: the social foundations for human survival, wellbeing and flourishing. Its components, as illustrated by Raworth, include meeting basic human needs, such as food, water, housing, education, income and work, alongside broader economic, social and political arrangements for meeting these needs, such as political voice, social and gender equality and social justice. The Sustainable Development Goals, agreed by all member states at the UN in 2015, give expression to these social foundations for decent and sustainable living. They constitute a critical basis for a progressive interpretation of global social policy, but unfortunately there is no space here to discuss the SDGs and the role of related global institutions.

Figure 1 about here

So we must stay within the lifebelt. Yet today no single country does so. Research at the University of Leeds on Living Well within Limits shows, using very basic indices, that the basic social foundations are broadly met in the UK. But this is at the expense of a big overshoot in its CO2 emissions, material and ecological footprints, and the nitrogen and phosphorous cycles (O'Neill 2018). This is the common pattern in the West: the tremendous rise in standards of living since the 1940s have been achieved at the expense of a sustainable environment. In the words of the Rockefeller Foundation – Lancet Commission Report on planetary health 'We have been mortgaging the health of future generations to realise economic and development gains in the present' (Whitmee et al 2015).

The opposite is the case in much of the rest of the world. Using the same data the Leeds research compares the EU, China and India. In India only two ecological boundaries are yet exceeded but all but one of the social foundations are missed, indicating a dire level of deprivation and unmet needs coupled with inadequate institutions. The fast-growing market economy of China surpasses four social thresholds but at a greater cost with five biophysical boundaries transgressed.

The global transformation required is for all regions to move very quickly to a combination of decent levels of wellbeing at very low environmental costs – 'sustainable wellbeing'. But the routes there will differ across what I have called the North, the East and the South. For the least developed countries of the South the route is a new pattern of sustainable development. For the 'East' – the rapidly growing new market economies – it is to combine improvements in wellbeing with decarbonisation and less exploitative development. For the rich countries of the North, the subject of this chapter, it is to preserve and improve levels of wellbeing while undertaking an unprecedented transformation and decarbonisation of their economic and social systems.

In my recent book, I distinguish three meta-strategies to achieve this shift in the global North:

C1. Ramp up eco-efficiency: the energy- and emissions-efficiency of all economic and social activity.
C2. 'Recompose' consumption: reduce consumption emissions by switching from high- to low-carbon goods and services, without necessarily cutting overall consumption expenditure.
C3. *Degrowth:* reduce then stabilise absolute levels of consumer demand, moving towards a steady state economy.

But this framework alone ignores the inner ring of the lifebelt prioritising decent lives. It is quite possible for rapid decarbonisation to impose costs on more vulnerable people and regions and thus worsen inequality. To avoid this all three strategies must at a minimum take account of their *distributive* effects *within* societies – their impact on minimum levels of need satisfaction and wellbeing and the degree of inequality above this level. This means qualifying the three strategies as follows:

C1. *Fair eco-efficiency*: ensuring, at the very least, that poorer and more vulnerable groups do not suffer from climate mitigation policies and that inequalities in income and need-satisfaction are not widened.
C2. *Fair recomposition of consumption:* ensuring that a 'consumption corridor' is pursued between minimum consumption standards, allowing every individual to live a good life, and maximum standards, ensuring a limit on every individual's use of natural and social resources in order to guarantee a good life for others in the present and in the future.
C3. *Fair degrowth*: ensuring that the biophysical case for degrowth is not implemented at the expense of improved wellbeing and its fairer distribution.

All three meta-strategies have profound implications for contemporary welfare states. The next three sections elaborate on these paths and the transformations in social policy they will require. The penultimate section then returns briefly to the global level and the need for a new global social policy.

Scenario 1: Green growth plus 'eco-social' policies in the North

The essential task here is to '*decouple'* economic output or 'throughput' from environmental damage, confined in this chapter to dangerous global warming and climate breakdown. Alongside climate *adaptation* programmes this will need radical climate *mitigation* programmes embracing an enormous range of interventions, from abandoning fossil fuels, investing in renewable electricity to regulating consumer goods and reshaping agriculture. This myriad of programmes can be grouped into three: raising the *price* of carbon through carbon taxes or trading; *regulating* economic practices and behaviour, and *investing* in new systems of industry, transport, housing, food supply etc.

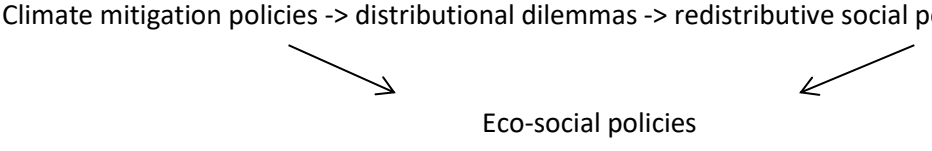
A growing number of countries have enshrined these policies in new legal and institutional frameworks, pioneered by the UK Climate Change Act 2008. Now the Paris Agreement of 2015 requires all signatory states to publish Nationally Determined Contributions to decarbonise their economies. These plans are to be reviewed every five years starting in 2020 and each review must result in lower target emissions. To date, all countries have made pledges - though the US now intends to withdraw from the treaty. But the current pledges when added together are quite inadequate to avoid at least 3°C degrees of global warming, so the call now is for a radical upscaling of these NDCs.

How, if it happens, will this vast and novel shift in economies and government strategies impact on Western welfare states? On normative grounds their role will increase. Despite all the attacks and headwinds, welfare states provide safety nets, critical basic services and social investments (Gough 2017b, ch.5). These elements, especially collective public services including housing, enhance system resilience in the face of shocks. They aid *adaptation* to climate change. Hurricane Katrina resulted in 5000 deaths in the inegalitarian and emasculated welfare system in New Orleans (compared with 2 deaths from the same hurricane in Cuba). The IPPC recognizes that European welfare and infrastructure systems provide better adaptation and protection against an unstable climate. So institutionalized comprehensive social policy is an important precautionary climate strategy in its own right.

On the other hand, climate mitigation programmes can be regressive in their effects. Across the world, measures to increase the price of carbon and shift to green taxes – an essential component of effective carbon mitigation – will bear more harshly on lower income households and localities. The Big 3 necessities – Food, domestic Energy and basic Transport - are almost everywhere more carbon intensive than prosperity goods or luxuries (Gough 2017a, 2017b, Gough et al 2011). So within rich countries carbon pricing will worsen the distribution of income: not a good position to be in when inequalities are rising. This clash between social need, unequal incomes and the market pricing of energy can lead to 'energy poverty' or 'fuel poverty' (Hills 2012, Gough 2013). It can also encourage anti-climate movements such as the *gilles jeunes* protests in France.

The standard economics response to these distributive impacts is to 'compensate the losers'. Yet there are profound problems with compensation, for example when compensating households for rising energy costs. First, the variables affecting domestic energy efficiency cannot easily be addressed by existing social transfer programmes, since they encompass factors such as the energy efficiency of dwellings, urban-rural differences and connection to energy networks. Second, the social security costs would be expensive and they would rise year by year as more ambitious carbon reduction targets kick in. If delivered on a means-tested basis more people would face a 'poverty trap' - high marginal tax rates if their incomes increased; yet despite this assistance substantial numbers of low income losers would remain, enough perhaps to spark a backlash against all climate policies. If delivered via dividends paid to all citizens the amounts would be derisory and the costs would soon exhaust the extra revenue raised by higher carbon taxes leaving nothing to spare for improvements in energy efficiency and other low-carbon innovations (Gough 2017b, ch 6). Similar arguments apply in other systems of provision such as transport.

The consensus in social policy teaches us that compensation plans are both technically and politically very difficult to achieve. Thus I argue that new forms of '*eco-social policy*' are required that serve both equity and sustainability goals. The model of social policy needs to change, as illustrated below. Instead of reactive and countervailing social policies, there is a need for *proactive, integrated 'eco-social' policies.* Yet the governance and management of social policy is everywhere established in separate silos insulated from environmental and economic policies. There is an urgent need to move to integrated eco-social programmes that enhance both welfare and sustainability.



This shift is aided by the presence of several important *co-benefits*. Studies reveal potential *synergies* between policies to stabilise climate change and to enhance human wellbeing, especially health. These include the direct benefits of climate control, such as reducing the harmful impacts of drought, flood and heat. New co-benefit programmes, such as reducing air pollution, encouraging active travel and reducing harmful levels of consumption of red meat, can achieve further synergies between social and environmental goals.

There is now swelling support for a unifying strategy - a *'Green New Deal'* (NEF 2008, Pettifer 2019). This would reduce carbon emissions by investing in renewable energy and deploying radical conservation measures, whilst boosting demand and employment opportunities, via, for example, creating and training a 'carbon army' of workers to achieve the reconstruction and house retrofitting programme. It is a state-led investment strategy and thus entails radical fiscal and monetary restructuring. It does not deny the role of carbon-pricing and regulation, but recognises that alternative infrastructures and systems must be developed alongside these if radical changes in behaviours are to be attained. In this way the negative impacts of carbon programmes can be minimised and the positive co-benefits realised.

Scenario 2: Address the consumer society

But dilemmas of inequality, consumption and growth will remain. To address these a second meta-goal is required in rich countries – to *recompose consumption* by switching from high- to low-carbon goods and services. This is different from the third *degrowth* strategy below because it does not necessarily involve cutting overall consumption expenditure. The concern here is with the *composition* of national expenditure: between private consumption, public consumption, private investment and public investment, and within each of these categories. But again recomposing consumption could be extremely unfair – hurting more vulnerable households and communities. To achieve *fair* recomposition means distinguishing the 'necessitousness' of consumer goods and services - whether they are essential, desirable or excessive - alongside their environmental impact. In the words of Henry Shue (1993), 'It is not equitable to ask some people to surrender necessities so that other people can retain luxuries . . . The costs ought to be partitioned . . . into costs that impinge upon necessities for the poor and costs that only impinge upon luxuries for the wealthy'.

There are two reasons for turning from production to consumption in this way. The first is that consumption has been a major driver of both growth and inequality since around 1980. Critics speak of hyper-capitalism, conspicuous consumption, a greed-based economy, 'an iron cage of consumerism' (Jackson 2009). Of course new market players can enter and generational shifts in tastes can occur but there can be no doubt that corporate power endlessly promoting new forms of consumption, coupled with system 'lock-in', is a relentless driver of consumption emissions.

Second, the *consumption-based* emissions of the OECD countries are higher than their territorial emissions (Figure 2). This reflects the outsourcing of manufacturing and industry from the West to the East during the period of intense globalisation – and accompanying deindustrialisation in the West – since around 1980. Matching this, the territorial emissions of the rest of the world exceed the emissions embodied in the goods and services they consume. This outsourcing has provided very substantial net benefits to Western consumers and citizens, which remain hidden from view in most global assessments of who bears the responsibility for climate change. It exacerbates existing global inequalities to result in an alarming distribution of responsibility for climate breakdown. Figure 3 starkly portrays the

global distribution of consumption-based greenhouse gas emissions assuming we could rank the entire world population from richest to poorest. There are strong justice arguments to address consumption in high income countries – and the consumption of the rich across the world.

Figures 2 and 3 about here

The imperative now is to restrain and reverse environmental degradation brought about by hyper-consumption. But to recompose consumption fairly entails making a distinction between goods and services that are necessary for a basic level of wellbeing, and those that are surplus to this requirement. Yet to do this is undoubtedly difficult. It questions basic assumptions of our consumer society; it confronts neo-classical arguments for consumer sovereignty; it raises the spectre of 'nanny states'.

I have argued that only a theory of universal human needs can provide a firm foundation for this distinction (Gough 2015). To compare wellbeing over space and time requires a universal metric. All individuals, everywhere in the world, at all times present and future, have certain basic needs. These must be met in order for people to avoid harm, to participate in society and to reflect critically upon the conditions in which they find themselves. This is not the same as subjective feelings like anxiety or unhappiness. It refers to functions not feelings. Human needs possesses five theoretical features that aid us in identifying *sustainable wellbeing:* they are objective, plural, non-substitutable, satiable and cross-generational.

At the same time need *satisfiers* are almost always variable and local. Need satisfiers comprise the goods, services, activities and relationships that contribute to need satisfaction in any particular context. The needs for food and shelter apply to all peoples, but there are large varieties of cuisines and forms of dwelling that can meet any given specification of nutrition and protection from the elements. It is essential to draw a sharp distinction between universal needs and specific satisfiers. Without it, need theory could justly be accused of being paternalist, intrusive and insensitive to context and culture. The set of need satisfiers in a social context can be called *necessities*. This sets up a distinction between necessities and 'luxuries' or surplus goods.

How can such a debate be pursued in a democratic society? I argue this can only be achieved by forms of dialogic democracy, such as *citizen forums,* which bring together citizens and experts in a space as open, as democratic, and as free of vested interests as possible. To identify social need satisfiers entails a system shift from aggregating preferences to solving collective problems. Need satisfiers will be identified in a conscious collective process – quite different to the isolated, individual process of revealing preferences in markets (Gough 2017 a and b).

Many campaigns exist today to change consumer behaviour, from reducing plastic to eating less meat, from urging more active travel to flying less. But all agree that more systemic actions will also be needed. There is growing evidence that these will be most successful in sub-national communities, whether cities, towns or villages. Meaningful participation within localities encourages longer-term and joined–up thinking, bringing together singular technologies to provide 'transformative networks of innovation' (Jackson and Victor (2013). Decarbonising our economies and our way of life can never be achieved by simply new technology: it requires a network of transformations that are more readily conceived and perceived on a smaller human scale, such as CRAGs (Carbon Rationing Action Groups) and

transition towns in the UK (Howell, 2012; Whitmarsh, 2011).

But in view of overwhelming power imbalances, consumption lock-in and growing inequality, it is evident that recomposing consumption will require, in addition, some hefty top-down state interventions. It will need a range of novel C2 programmes to recompose consumption in a fair way: further 'eco-social policies' that simultaneously and explicitly pursue both equity/justice and sustainability/ sufficiency goals. These can be divided into two: widening public consumption and reshaping private consumption.

1. Widening public consumption: towards Universal Basic Services. There are several reasons for raising the share of state social consumption as part of an eco-social strategy. First, tax-financed social consumption such as health services, social care and education is inherently redistributive: allocation according to need, risk or citizenship, not market demand, automatically serves redistributive social goals—even iwhen the tax system is neutral rather than progressive. Second, research suggests that this saves carbon. For example, the US healthcare system directly accounts for 8% of emissions in the USA, compared with 3% of UK emissions directly stemming from the NHS. This is due both to the greater macro-efficiency and lower expenditure shares of health in the UK, but also to lower emissions per pound or dollar spent, due to better allocation of resources and procurement practices and to explicit carbon-saving programmes.

The idea of Universal Basic Services generalizes this approach (Gough 2019, Coote and Percy 2020). There is a case for public provision or guarantees of access for a wider range of life's necessities, beyond the staples of the welfare state, including for example housing, transport and care. This, rather than Universal Basic Income, would contribute to sustainability and greater equality (and efficiency). Existing national health services and public education are obvious examples. UBS then proposes to extend this principle, for example, to a right to social care, entitlements to adequate and secure shelter, and free bus transport. The ontological ground is the existence of core human needs that require collective responsibilities and a renewed 'foundational economy' to fulfill. The normative justification is the superior potential of UBS to secure human flourishing via greater equality, efficiency, collective solidarity and long-term sustainability.

2. Reshaping private consumption: Towards a consumption corridor. Giulio and Fuchs (2014) propose the idea of a sustainable 'consumption corridor' between *minimum* standards, allowing every individual to live a satisfactory life, and *maximum* standards, ensuring a limit on every individual's use of natural and social resources in order to guarantee a good life for others in the present and in the future. Social policy research provides us with a sound basis for identifying *necessities* in any particular social context: the goods, services and facilities to enable all to *participate* in accepted social activities and to avoid poverty or social exclusion. This can be identified using citizen focus groups advised by various 'experts'. For example, the 2014 MIS (Minimum Income Standard) study in the UK involved 12 focus groups in which members of the public from a range of social backgrounds were tasked with producing lists of items that households would need in order to reach 'an acceptable minimum standard of living' (Davis et al 2014). In the EU several countries are calculating 'reference budgets' for decent living standards using a different 'dual strategy' methodology developed in Doyal and Gough (Storms 2013; Doyal and Gough 1991 chapter 14, Gough 2017, chapter 7).

Identifying a *maximum* threshold at which people could be considered in some sense to be 'rich' is a harder and less well explored territory, but it is emerging. Herman Daly (1977) was an early advocate of instituting a *maximum income* as part of a steady state economy, an idea he continues to repeat: 'If you have a limited total, and you also have a minimum

income, then that implies a maximum somewhere' (Daly 2018: 90). Ingrid Robeyns (2018) makes the case for '*limitarianism'* – the belief that it is not permissible to have more resources than are needed to fully flourish in life. To justify this she considers three arguments: the arguments of unmet urgent needs, of democracy and legitimacy, and of ecological sustainability.

A new report due out soon presents results of a pilot to study whether public consensus can identify a 'riches line' in London (Davis et al, 2020). Focus groups comprising different income classes are tasked with reaching a consensus on what bundle of goods and services would enable a flourishing or prosperous life. Above this level the report found considerable consensus on a level of consumption described as 'luxury' or 'wealthy living'. Common consumption indicators of this included: a second property (whether in the UK or abroad); private banking, a wealth manager and significant savings; eating out weekly in expensive restaurants; 'expensive hobbies' (riding, sailing, antiques); five or more holidays a year; private healthcare; a personal trainer and a housekeeper. However, there appeared to be no consensus on whether such inequality was a good or bad thing, therefore on whether policies to address it were desired. Further research is needed here.

Implementing a consumption corridor would demand further novel eco-social policies. One such policy could be a *smart value-added tax.* In all OECD countries except the USA there exists an explicit tax on consumption—value-added tax (VAT)—that raises about a fifth of all tax revenues and is a major funder of social programmes. The argument for a 'smart VAT' is to introduce deliberate variations in the rate, higher to discourage bad consumption and lower to encourage desirable consumption (Fell 2016). The proposal has mainly been advocated on health and well-being grounds, to improve healthy eating and discourage obesity. But it could also be amended to take account of sustainability. Thus high-GHG goods that harmed well-being would attract the highest VAT rates, while low-carbon goods that improve well-being would be taxed at lower or even negative rates (amounting to a subsidy). To decide what goods are virtuous and what harmful Fell proposes regular deliberative dialogue in focus groups informed by environmental and social experts. Smart VAT provides a broad framework within which other proposals to tax high-carbon non-essentials could fit, such as a frequent flyer levy or a global tax on business-class flights (Chancel and Piketty 2015).

UBS and consumption corridors are two examples of how to rethink social policy for the Anthropocene. Yet to move to 2 tonnes, let alone 0.7 tonnes, of emissions per person per year within existing socio-technical structures would deprive citizens of a vast range of goods and services - cars, imported foods, a range of clothing and diets etc - that they have agreed are necessary for effective participation in modern life. For example, if the entire UK population were living on the MIS budget discussed earlier then emissions would be cut by only 37 per cent (Druckman and Jackson 2010). Average emissions would still amount to 7.3 tonnes per person (cf. Hirvilammi et al 2013).

Scenario 3: Post-growth?

'If growth automatically generated wellbeing we would now be living in paradise' (Latouche 2009).

This persistent dilemma leads to a third stage in the argument: that economic growth cannot continue ad infinitum on a finite planet, even if the measure of growth is something more sophisticated than GDP per head (Jackson 2009). The biophysical limits long understood by ecologists are now emerging faster than all previous predictions. But there is

a second, ethico-social argument for post-growth: that endless growth does not augment, and can degrade, human wellbeing. The happiness school contends that beyond a certain point subjective wellbeing disconnects from economic (Easterlin 2001, Layard 2011). From a humanist socialist perspective the commodification of more and more aspects of life is incompatible with social practices and relationships that are independently conducive to human wellbeing (O'Neill 2016). From the school of eudaimonic psychology there is evidence that individuals whose life goals are more focused on wealth, image and fame than on relationship, personal growth and community evince less self-esteem, self-actualisation and life satisfaction (Ryan and Sapp 2007). Kasser (2011) concludes that where economic growth is a key goal of a nation universal psychological needs are undermined. Indeed this syndrome becomes self-reinforcing, as many people turn to money and possessions as a way of coping with distress (Koch 2013).

The alternative is some notion of post-growth, a 'steady-state economy'. In a steady state the aggregate 'throughput' is constant and at a level that is sustainable for a long future. Throughput is 'the flow beginning with raw material inputs, followed by their conversion into commodities, and finally into waste outputs' (Daly 1996: 28). This flow must lie within the regenerative and assimilative capacities of the ecosystem.

It is an understatement to say that such 'post-growth by design' challenges most of the tenets of welfare capitalism. Economic growth supplies economic resources and political legitimacy to the welfare state oiling the wheels of redistribution. It is no coincidence that the post-war welfare state emerged simultaneously with the modern tax state and growth state. Pensions and health care are two major areas of social policy threatened by zero let alone negative rates of economic growth (Strunz and Schindler 2018). Furthermore, Piketty (2014) reasons that slower growth increases the ratio of the stock of capital to national income and thus exacerbates inequality. This finding is clearly portentous if the policy goal is deliberately to reduce growth in rich countries to zero. It puts redistribution, wellbeing and the social domain in the centre ground.

Degrowth thus calls for further eco-social policies if environmental justice is not to undermine or even destroy social justice. It requires a twin-track policy of 'reduce and redistribute'.

Reducing paid work time. A redistribution of time would contribute to recomposing consumption and deliver eco-social benefits. It would enhance 'discretionary time' - time left over after the necessary time spent in wage labour, unpaid household labour and personal care - and contribute to autonomy and wellbeing (Goodin et al 2008). Moreover evidence is growing that RWT can make a major contribution to a sustainable environment and climate (Schor 2005, Coote and Franklin 2013; Gough 2017b). RWT achieves this in two ways: it can change the time and expenditure budgets of households in a lower-carbon direction (the *composition* effect) and it weakens the 'work and spend' cycle, which locks employees into a trajectory of fixed hours and rising consumption (the *scale* effect). Both contribute to our C2 goal and the latter provides a transition to the C3 goal. But both need to be accompanied by supportive economic, labour and social policies to ensure that lower-income households do not suffer, that the transition is fair.

New policies on redistribution. If traditional social protection and redistributive social programmes are ruled out in such an environment, what is left? One essential element would be to spread the ownership of wealth and capital so that all citizens have rights to part of that dividend, but in a collective rather than an individualised way. A reallocation of

property rights would give everyone a stake in capital and a non-labour source of income. This would require on the one hand steep taxation of inheritance, land and capital transfers and on the other hand building up the state's store of public capital. A post-growth economy, characterised by a rising share of capital in income, falling hours of work, and problems over the sustainability of social insurance, will strengthen the case for spreading the ownership of wealth. Sovereign wealth funds and Meidner-style pension reforms provide two possible routes (Lansley 2016).

This could be coupled with rebuilding the 'social commons'. In its simplest meaning, the commons refer to natural resources that should be accessible to all members of society, such as air, water, mountain, land and forests, and features of the ecosphere that cannot or should not be privatized or commodified. But the idea of 'commons' can be extended from natural to social resources. It is applied to cultural goods, such as knowledge, cultural heritage, literature, music – and the digital commons like software. But one can go further still to include all the social services and activities funded and provided collectively through our public institutions and community-based organisations. This is the 'social commons' that does, or should do, so much to meet our common needs and protect us against risk (Mestrum 2016; Standing 2019). The idea of the commons helps to reimagine the welfare state and integrate the environmental and social domains. Much of this is clearly speculative. But we can assert with confidence that sustainable and democratic eco-social policy will require some combination of, and balance between, a transformed state, a revived household economy and a flourishing eco-social commons.

Finally - the absent global dimension

All the above relates to the global North, but even this will not be enough. A serious programme of 'contact and converge' will require the North to do more than reduce drastically their own emissions – they will need to contribute to climate mitigation and developing a carbon-free development pathway across the world. Some argue that the GND idea could be extended to a global green new deal, whereby GNs in rich countries support international cooperation alongside domestic transformation. Bernie Sanders in the US has recently put forward just such a plan ( ).

Yet equity has been absent so far from global climate agreements. The dominant framework is green growth. The dominant mechanism are NDCs, which do not take into account the obligations of richer nations to carbon reduction elsewhere. Some argue that equity must take a backstage role when the overriding goal is to decarbonize the world economy in a matter of two decades. According to Lord Stern (2015 ch.9): 'there is little point in equitable access to a train wreck'. But the 2030 Agenda for Sustainable Development and the SDGs offer some hopes of an alternative. Other initiatives include the International Labour Organisation's Social Protection Floors Recommendation 2012, which reaffirms social security as a human right and prioritises the establishment of national floors of social protection accessible to all in need. It would improve the security of the most vulnerable and might be linked to provision of rough compensation for climate damage. However, as argued above, compensation alone is insufficient; public services and infrastructure are essential, and huge capital transfers are needed.[2]

[2] Moreover, existing climate crisis and associated ecological destruction ideally calls for agreement to settle climate refugees. The 2013 Warsaw International Mechanism for Loss and Damage Associated with Climate Change Impacts began to discuss compensation claims, but are currently blocked.

Conclusions

The foundations of classic Western welfare states are being ruptured by transformative changes in the global economic system, geopolitics, technology and demography. But beyond all these lies ongoing climate breakdown and ecological destruction. These are real and present threats to traditional welfare states in the global North, imposing escalating new demands whilst undermining traditional supply mechanisms – democracy, citizenship, state power.

I have argued that taking this dangerous present seriously requires four transformations to traditional 'social policy', each more difficult than the last. First, the rapid spread of novel eco-social programmes to tap synergies between wellbeing and sustainability via transformative investment programmes such as a Green New Deal. Second, to recompose consumption in two ways: to realise the best principles of the welfare state by extending the range of universal basic services, and to work towards a private consumption corridor to end waste, meet basic needs and reduce inequality. Third, prepare for a fair post-growth economy via a strategy of 'reduce and redistribute'. And last, develop a global equity framework to meet climatic and ecological threats in a globally just way that recognizes current international inequalities.

In Hickel's (2018) words, 'It would be difficult to overstate how dramatic this trajectory is. It requires nothing less than a total and rapid reversal of our present direction as a civilisation'. As the co-chair of an IPCC working group put it, 'The next few years are probably the most important in our history'. It is remarkable and shaming that since the first edition of OHWS ten years ago the study of social policy has hardly stirred itself to confront these challenges.

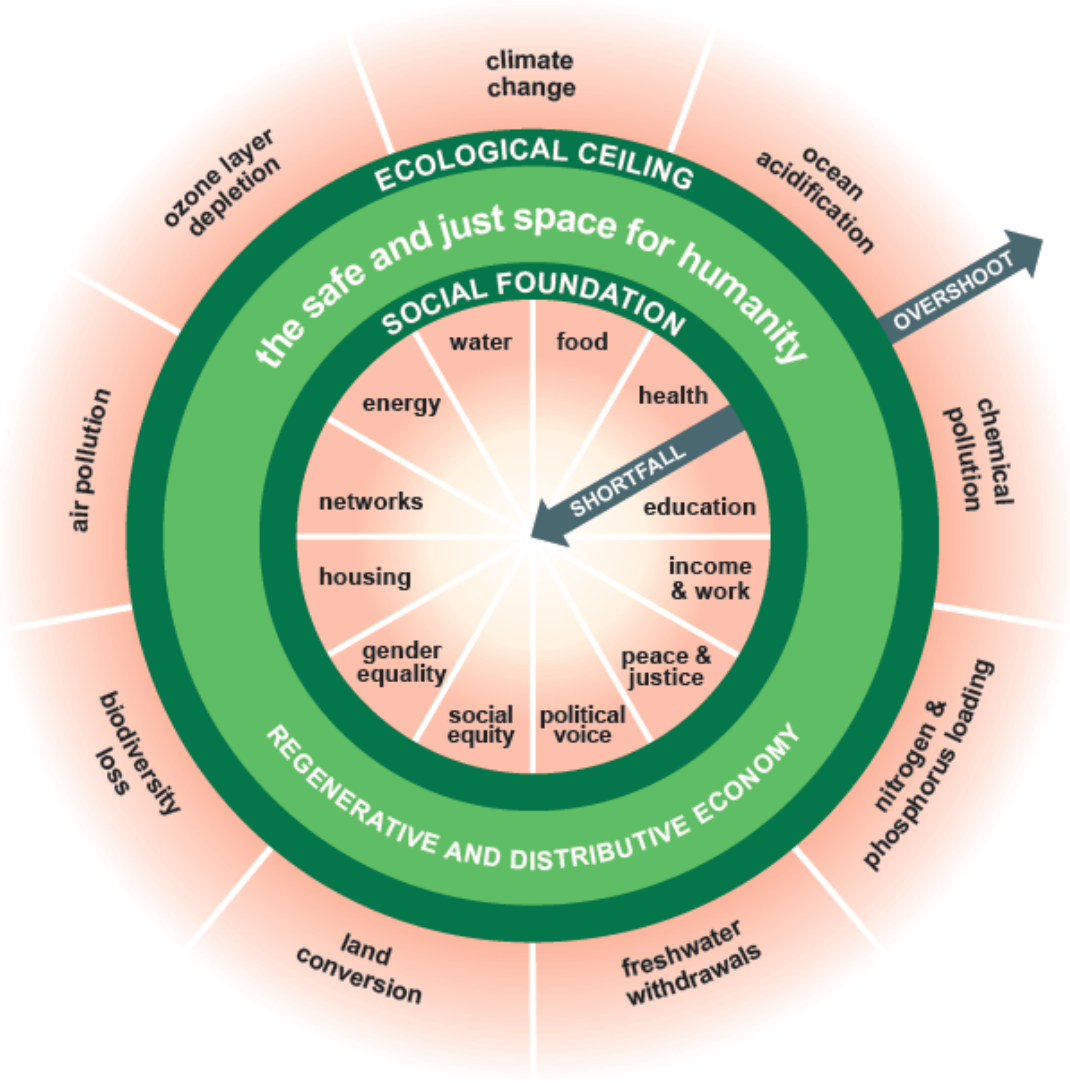


Figure 1. A safe and just space for humanity to thrive in
Source: Raworth (2017: 44).

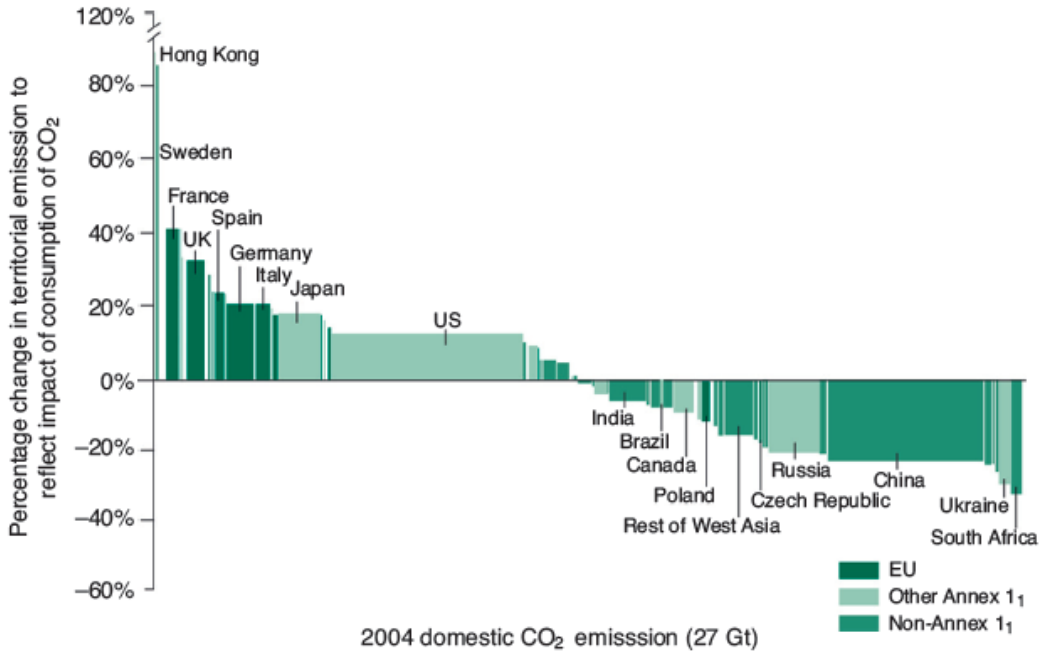


Figure 2. The impact of a consumption-based view on emissions by country.
Source: Carbon Trust, in House of Commons Energy and Climate Change Committee (2012).

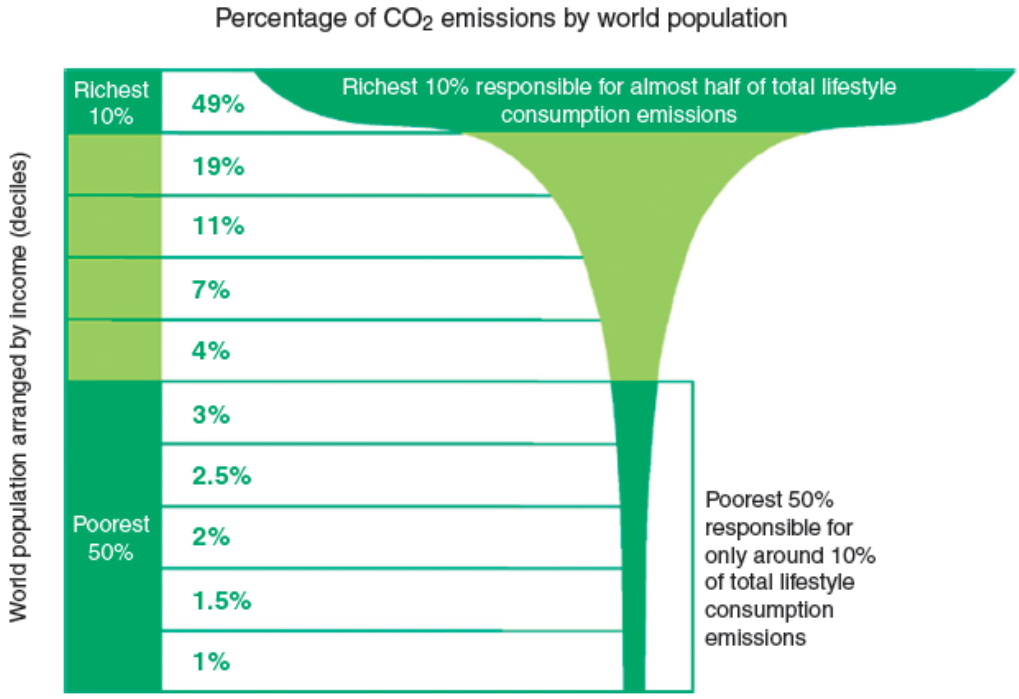


Figure 3. Global distribution of consumption-based emissions
Source: Gore 2015, Figure 1.

Bailey, D. (2015) 'The Environmental Paradox of the Welfare State: The Dynamics of Sustainability', New Political Economy, 20(6), pp. 793–811.
Borowy, I. 2019. Sustainability and Redistribution. In: Meadowcroft, J. etal (eds). What Next for Sustainable Development? *Our Common Future* at Thirty. Edward Elgar.
Chancel, L. and Piketty, T. 2015. Carbon and Inequality: From Kyoto to Paris . VOX: CEPR's Policy Portal, Paris
Chancel, L. 2017. Insoutenables inégalités : Pour une justice sociale et environnementale (Ed. Les Petits Matins, 2017; forthcoming in English at Harvard University Press).
Coote, A. and Franklin, J. (eds). 2013. Time on Our Side: Why We All Need a Shorter Working Week . New Economics Foundation, London.
Coote, A. and Percy, A. 2020. The Case for Universal Basic Services, Cambridge, Polity Press
Daly, H.E. 1996. Beyond Growth: The Economics of Sustainable Development . Beacon Press, Boston, MA.
Daly, H.E. 2018. Benjamin Kunkel: Interview with Herman Daly. New Left Review 109.
Davis, A., Hirsch, D. and Padley, M. 2014. A Minimum Income Standard for the UK in 2014 . Loughborough University, Loughborough and Joseph Rowntree Foundation, York.
Davis, A. et al (2020). Living on Different Incomes in London: Can public consensus identify a 'riches line'? Draft Report.
Di Giulio, A., & Fuchs, D., 2014. Sustainable consumption corridors: Concept, objections, and responses. Gaia, 23, 184-192. Gaia 23, 184–192.
Doyal, L., Gough, I., 1991. A Theory of Human Need. Palgrave Macmillan.
Druckman, A. and Jackson, T. 2010. The bare necessities: How much household carbon do we really need? Ecological Economics , 69, 1794–1804.
Easterlin, R.A. 2001. Income and happiness: Towards a unified theory. Economic Journal , 111, 465–484.
Fell, David, 2016. Bad Habits, Hard Choices: Using the Tax System to Make Us Healthier. The London Publishing Partnership.
Fischer, M. (2016) 'Welfare with or without growth? Potential lessons from the German healthcare system', Sustainability (Switzerland), 8(11)
Fitzpatrick, T.; Cahill, M., Eds. Environment and Welfare: Towards a Green Social Policy; Palgrave Macmillan: Hampshire, NY, USA, 2002.
Fitzpatrick, T. 2011. Introduction. In T. Fitzpatrick (ed.), Understanding the Environment and Social Policy. Policy Press, Bristol, UK.
Fitzpatrick, T. 2014a. Climate Change and Poverty: A New Agenda for Developed Nations. Policy Press, Bristol, UK.
Fitzpatrick, T. 2014b. International Handbook on Social Policy and the Environment. Edward Elgar Publishing, Cheltenham, UK and Northampton, MA, USA.
Giulio, A., & Fuchs, D., 2014. Sustainable consumption corridors: Concept, objections, and responses. Gaia, 23, 184-192. Gaia 23, 184–192.
Goodin, R.E., Rice, J.M., Parpo, A. and Eriksson, L. 2008. Discretionary Time: A New Measure of Freedom . Cambridge University Press, Cambridge.
Gore, T. 2015. Extreme Carbon Inequality. Oxfam International, Oxford.
Gough, I., 2015. Climate change and sustainable welfare: the centrality of human needs. Cambridge Journal of Economics 39, 1191–1214. doi:10.1093/cje/bev039
Gough I. 2017a. Recomposing consumption: defining necessities for sustainable and equitable well-being. Phil. Trans. R. Soc. A 375 : 20160379.
Gough, I., 2017b. Heat, Greed and Human Need: Climate change, capitalism and sustainable wellbeing. Cheltenham UK: Edward Elgar Ltd.
Gough, I. 2019. 'Universal basic services: A theoretical and moral framework'. Political Quarterly,

Gough, I., Abdallah, S., Johnson, V., Ryan-Collins, J., Smith, C., 2011. The distribution of total embodied greenhouse gas emissions by households in the UK, and some implications for social policy (CASE papers No. CASE/152). Centre for Analysis of Social Exclusion, London School of Economics and Political Science, London.
Hickel, J. 2018. Foreign Policy. https://foreignpolicy.com/2018/10/18/the-hope-at-the-heart-of-the-apocalyptic-climate-change-report/
Hirvilammi T et al, 2013. Studying Well-being and its Environmental Impacts: A Case Study of Minimum Income Receivers in Finland: Journal of Human Development and Capabilities: Vol 14, No 1.
Hirvilammi, T; Helne, T. Changing Paradigms: A Sketch for Sustainable Wellbeing and Ecosocial Policy. Sustainability 2014, 6, 2160–2175.
Howell, R.A. 2012. Living with a carbon allowance: The experiences of carbon rationing action groups and implications for policy. Energy Policy , 41, 250–258.
Hvinden, B. and Mi Ah, eds (forthcoming). Social Policy and Climate Change: Towards Sustainable Welfare States in Europe. Edward Elgar.
Jackson, T. 2009. Prosperity without Growth: Economics for a Finite Planet. Earthscan, London.
Jackson, Tim, Victor, Peter, 2013. Green Economy at Community Scale | Metcalf Foundation [WWW Document]. URL http://metcalffoundation.com/stories/publications/green-economy-at-community-scale/ (accessed 2.22.16).
Jackson 2019
http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/treasury-committee/decarbonisation-and-green-financethe-economic-opportunity/written/104103.html
Kasser, T. 2011. Capitalism and autonomy. In V.I. Chirkov, R.M. Ryan and K.M. Sheldon (eds), Human Autonomy in Cross-Cultural Context . Springer Netherlands, Dordrecht.
Koch, M. 2013. Welfare after growth: Theoretical discussion and policy implications. International Journal of Social Quality , 3, 4–20.
Koch, M., Mont, O. (Eds.), 2016. *Sustainability and the Political Economy of Welfare*. Routledge, Abingdon, Oxon ; New York, NY.
Lansley, S. 2016. A Sharing Economy: How Social Wealth Funds Can Reduce Inequality and Help Balance the Books . Policy Press, Bristol, UK.
Latouche, S. 2009. Farewell to Growth. Polity Press, Cambridge.
Layard, R. 2011. Happiness: Lessons from a New Science , 2nd edn. Penguin, London.
Meadowcroft, J., Banister,D., Holden, E., Langhelle, O., Linnerud, K., Gilpin, G. (eds) 2019. What Next for Sustainable Development? *Our Common Future* at Thirty. Edward Elgar.
Mestrum, F. 2016. The Social Commons. Gerakbudaya, Petaling Jaya.
O'Neill, J. 2016. Happiness, austerity and inequality. In H. Rosa and C. Henning (eds), Good Life beyond Growth: Critical Perspectives. Routledge, Abingdon.
Piketty, T. 2014. Capital in the Twenty-First Century . Harvard University Press, Cambridge, MA.
Rauschmayer, F., I. Omann and J. Frühmann (eds), Sustainable Development: Capabilities, Needs and well-being. Routledge, London
Raworth, K. 2017. Doughnut Economics: Seven ways to think like a 21stcentury economist. RH Business Books, London.
Robeyns, I. 2018. 'Having too much', in J.Knight and M.Schwartzberg (eds), Nomos LVI: Wealth. Yearbook of the American Society for Political and Legal Philosophy. NYU Press.
Ryan, R.M. and Sapp, A.R. 2007. Basic psychological needs: A self determination theory perspective on the promotion of wellness across development and cultures. In I. Gough and J.A. McGregor (eds), Wellbeing in Developing Countries: From Theory to Research , pp. 71–92. Cambridge University Press, Cambridge.

Schor, J.B. 2005. Sustainable consumption and worktime reduction. Journal of Industrial Ecology , 9, 37–50.
Standing, G. 2019. Plunder of the Commons. Pelican Books.
Shue, H. 1993. Subsistence emissions and luxury emissions. Law Policy, 15, 39–60.
tern, N. 2015. Why Are We Waiting? The Logic, Urgency, and Promise of Tackling Climate Change . MIT Press, Cambridge, MA.
Storms, Bérénice, T.G., 2013. Towards a common framework for developing cross- nationally comparable reference budgets in Europe, Improve Working Paper.
Strunz, S. and Schindler, H. (2018) 'Identifying Barriers Toward a Post-growth Economy – A Political Economy View', *Ecological Economics*. Elsevier, 153, pp. 68–77.
Watts, N. et al 2019. Lancet Countdown on health and climate change. Lancet, London
Whitmarsh, L., 2011. Social and Psychological Drivers of Energy Consumption Behaviour and Energy Transitions, in: Dietz, S., Michie, J., Oughton, C. (Eds.), The Political Economy of the Environment: An Interdisciplinary Approach. Routledge, Abingdon, pp. 213–228.
Whitmee, S., Haines, A., Beyrer, C., Boltz, F., Capon, A.G., de Souza Dias, B.F., Ezeh, A., Frumkin, H., Gong, P., Head, P., Horton, R., Mace, G.M., Marten, R., Myers, S.S., Nishtar, S., Osofsky, S.A., Pattanayak, S.K., Pongsiri, M.J., Romanelli, C., Soucat, A., Vega, J. and Yach, D. 2015. Safeguarding human health in the Anthropocene epoch: Report of the Rockefeller Foundation–Lancet Commission on planetary health. Lancet , 386, 1973–2028.