## Why comparative political economy should take the post-growth debate seriously

Climate change has prompted interest in 'degrowth' strategies, through which countries would prioritise protecting the environment instead of economic growth. **Luca Cigna** argues that given the increasing importance of the climate for national economies, comparative political economy scholars should better integrate degrowth and postgrowth models into their analytical frameworks.

A spectre is haunting Europe: that of degrowth. The idea of reducing the 'size of the economic cake' in the face of increasing climate constraints has been discussed widely in <u>major media outlets</u>. Perhaps surprisingly, institutional actors such as the Intergovernmental Panel on Climate Change (IPCC) and the European Environmental Agency (EEA) have also taken this debate seriously. In a piece eloquently called "<u>Growth without economic growth</u>", the EEA warns that, given the detrimental impact of economic growth on the environment and human health, "societies need to rethink what is meant by growth and progress and their meaning for global sustainability".

But first, what is degrowth? <u>Jason Hickel</u>, one of the most respected students of this approach, defines it as 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".

According to degrowth and post-growth researchers, economic growth <u>cannot be reconciled</u> with the protection of the environment. On the other hand, the satisfaction of human needs can be achieved via the reconfiguration of labour markets and welfare states, i.e. without necessarily setting economic growth as a *mantra*. This approach stands in contrast with the so-called 'green growth' model, which suggests that economic expansion can be pursued without ecological harm (the famous 'decoupling'), notably thanks to technological progress.

## Degrowth and comparative political economy

In spite of increasing alarm about the <u>looming climate disaster</u>, and vivid debates taking place between 'green growth' and 'degrowth' actors on how to tackle it, the voices of comparative political economy scholars have been noticeably absent from these discussions.

For decades, comparative political economy scholars have taken growth not only as an analytical device, but as a true normative imperative. Implicitly (in academia as elsewhere) there has been a common assumption that more growth is better. This is not unexpected. Ever since the emergence of capitalism, accumulation has been a standard goal for the western economic order. The belief that growth is beneficial can be comfortably situated within the ideological toolkits of both Keynesian and neoliberal economists. By contrast, the climate crisis is a relatively new issue. From this vantage point, comparative political economy scholars have often been left attempting to read developments through the interpretive lenses of previous eras (when climate change was of little concern).

Recently, there have been some attempts to adjust comparative political economy to meet the new realities we now live in. An example is an <u>edited volume</u> put together by Anke Hassel and Bruno Palier last year which tracks the evolution of political economies since the 1970s by looking at 'growth strategies' – that is, industrial, labour market and welfare reforms that seek to influence countries' economic trajectories.

However, despite the innovative nature of this approach, degrowth and post-growth principles are only mentioned briefly, with the book noting simply in its final paragraph that "traditional patterns of growth will be increasingly questioned". Indeed, the contributors suggest that because governments have failed to increase investment in 'green growth', the topic lies outside their research agenda.

While it is true that we cannot study what we cannot see, comparative political economy scholars should nevertheless pay greater attention to the climate crisis and its consequences for society. A good starting point would be to acknowledge the existence of the debates surrounding growth, through which prominent intellectuals and institutes have proposed alternative approaches over recent decades.

Even before the Covid-19 pandemic, the global consensus on the topic seemed to be gradually changing, with ecosocial rights, rather than growth, moving into the spotlight. In the broader political economy field, new theories on post-growth and well-being have flourished. Furthermore, comparative political economy and welfare state researchers are well-equipped to incorporate the climate emergency into their research agendas.

## A roadmap for future research

There are at least three areas where comparative political economy scholars could integrate degrowth approaches into their work. The first is in relation to *welfare state sustainability*. An example is a <u>recent study</u> that tests the degree to which socio-economic institutions enhance energy efficiency in pursuing 'need satisfaction' goals such as life expectancy, drinking water access, education, and a minimum income. The study finds that while factors such as public services, income equality and democracy are associated with higher need satisfaction *and* lower energy requirements, extractive practices and economic growth entail lower need satisfaction and higher energy requirements.

In other words, better socio-economic institutions help countries achieve human development goals with low-energy use. This insight is not new to the <u>welfare and social investment literature</u>. Resilient welfare states that couple social protection or 'buffer' measures with new social policies, such as life-long education and work-family policies, have a higher chance of achieving economic prosperity and eco-social equality.

The second point of intersection is in studies of *global inequality*. Two numbers – 12 and 50 – summarise the relationship between global injustice and the ecological crisis. On the one hand, <u>rich countries</u> representing 12% of the world have emitted more than 50% of carbon dioxide emissions since 1750. On the other hand, the bottom 50% of the world population <u>captured</u> only 12% of total growth in the last four decades.

Welfare states themselves rest on this hypocrisy: social rights established in the 'golden age' by the western working class were financed via extractive institutions in former colonies. Mounting evidence shows that developing countries and poorer segments of the world population are already bearing the brunt of the climate emergency and will increasingly be exposed to these risks. Global injustice, within and across countries, needs to be reversed using international cooperation on eco-social policies in tandem with global redistribution mechanisms to compensate for the green transition.

Finally, there is the *Covid-19 pandemic*, which has revealed the human and social infrastructure on which our societies rest. Governments have faced difficult trade-offs between economic growth and healthcare. Populist farright leaders have argued that "the cure cannot be worse than the disease", prioritising profits over people's lives and safety.

Conversely, countries focusing on health and social necessities, such as New Zealand, have experienced less damage in both human and economic terms. Moreover, the pandemic has uncovered the crucial role of workers in supposedly 'low-value added' services, including nurses, caregivers and supermarket cashiers. In several countries, plans are being designed to ensure human capital recovers from the impact of the pandemic. These examples underline the need for comparative political economy scholars to better integrate the green transition into their analytical frameworks, and to take themes such as green growth, degrowth, and post-growth seriously.

Note: This article gives the views of the author, not the position of EUROPP – European Politics and Policy or the London School of Economics. Featured image credit: <u>Visual Stories || Micheile</u> on <u>Unsplash</u>