

THE COVID-19 PANDEMIC AND THE DEGROWTH MOVEMENT: REFRAMING AND RETHINKING ECONOMIC AND SOCIAL RELATIONS

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Abstract

After a long period of supremacy for a growth-addicted paradigm, the historic rupture caused by the COVID-19 pandemic has opened a window for a potential global review of our political, economic, and social spheres. In an attempt to decouple growth and well-being, the degrowth movement is spreading – especially in the Global North – alternatives to achieving social well-being within ecological boundaries. This new perspective aims to reorient the values driving political and economic agendas and to reword them through the lenses of solidarity and care. The current unprecedented health crisis has ushered in a period of revisions and discussions about these new development concepts. Despite the negative consequences of the pandemic, then, it has successfully shown the fragility of current economic models and contributed to debates about the sort of policies advocated by degrowth. This article discusses the principles of degrowth and its connections and contributions to the current scenario.

I. Introduction

In early 2020, the world began suffering an unprecedented health and socio-economic crisis caused by the coronavirus pandemic. Economic crises are not new in human history: the Great Depression in the 1930s and the 2008 financial crisis, for example, have already tested the ability of governments to recover growth patterns and put the economy ‘back on track’. However, this current global situation is testing our resilience, not only from an economic perspective but also from social and political viewpoints.

The pandemic has highlighted debates over how current economic models result in imbalances in the environmental and social spheres. In this sense, it has opened up space for the degrowth movement to demonstrate the contributions of its policies and principles. This article discusses how the current health crisis corresponds with degrowth actions and how the movement can support the transformation of societies by decoupling economic stability and growth. This paper

is divided into four sections, starting with this introduction. The second section presents a brief conceptualization of degrowth and its main values, criticism, and suggested policies. The third section links the COVID-19 pandemic to the degrowth movement to capture their connections and contributions to each other. Finally, the fourth section introduces my conclusions and future challenges for the movement.

II. Conceptualising Degrowth

Transitions discourses have appeared in the context of environmental and social challenges associated with dominant economic models over the past few centuries (Escobar 2015; Raworth 2017). The Research and Degrowth association (2020) defines degrowth as a ‘downscaling of production and consumption that increases human well-being and enhances ecological conditions and equity on the planet.’ In other words, instead of focusing on ways to maintain consumption habits that generate ecological and social crises, degrowth seeks alternatives to ensure

sustainability and social equality (Fioramonti 2013).

Degrowth narratives have mainly highlighted the need for change in the current growth-addicted paradigm in terms of non-material human fulfilment (Fioramonti 2013; Jackson 2017). Its main criticism of the current system focuses on an assumption of infinite growth and the commodification of social products and services. The arguments against the infinite growth assumption are based on the inevitable negative externalities, which are mostly environmental and social (D'Alisa *et al.* 2016; Escobar 2015). According to D'Alisa *et al.* (2016) and Jackson (2017), infinite growth is ultimately uneconomic, as its costs are strongly linked to environmental degradation, high carbon emissions, the depletion of natural resources and climate change. These impacts result from the market dynamics of dominant economic models, designed to constantly seek growth and profit maximization on a planet with limited resources (D'Alisa *et al.* 2016). This pursuit of growth frequently results in a higher demand on natural resources, such as minerals, energy, and water, to produce a large number of goods and services. To absorb this additional demand, consumption is largely stimulated by governments and companies, especially through marketing efforts. The main strategy used to incentivize intensive consumption is the association between consumption and well-being: the more goods and services consumers can access, the higher the consumer's happiness will be. Though, considering the classic concept of diminishing marginal utility, additional units will add fewer satisfaction levels, leading to other consequences for social spheres (Jackson 2017; Kerschner 2010).

From a social perspective, the movement highlights the inefficiencies of the main indicator used to measure growth: Gross Domestic Product (GDP). According to Fioramonti (2013), GDP is unable to account for pleasant non-monetized activities (self-production, voluntary work, household services) while it includes other expenditures that may lead to negative externalities such as military expenses and the tobacco industry. Non-monetized activities are not reflected in national income and GDP does not reflect any data on income distribution. D'Alisa *et al.* (2016) also highlight the movement's criticism of the notion that economic growth is capable of increasing societies' well-being. Academic literature on degrowth has revealed that, after reaching a moderate level of income, additional increases in GDP do not reflect in increased happiness for individuals, a phenomenon known as the 'Easterlin Paradox' (D'Alisa *et al.* 2016).

This connection between growth and happiness has been one of the key arguments for maintaining growing GDP as the main political and economic agenda in recent years. This influence spread mainly in the 1990s when GDP was understood as the main measure of development and prosperity of nations, and this prioritization of GDP has influenced nations in many ways. This is demonstrated in the global governance of economic-political groups like the G8 or G20, as well as the BRICS for emerging powers (Fioramonti 2013). Investments in social and developmental areas also started to be perceived as a percentage of GDP, where a lower GDP implied less social investments. It also affected consumption models, including marketing strategies and advertising (Fioramonti 2013; Spratt *et al.* 2010). In other words, a GDP-addicted paradigm has oriented

political debate toward growth maximization.

Despite this paradigm, there have been a few attempts to weaken the GDP hegemony. According to Fioramonti (2013), the best-known example is the Human Development Index (HDI) developed by the United Nations in the 1990s. This metric includes two new factors besides income: health (based on life expectancy) and education (based on two education indicators). Despite its widespread use, HDI was not strong enough to affect GDP's power. More recently, economists have initiated a debate towards 'green accountability', which adds a discount effect to official GDP numbers to account for the costs of resource consumption and environmental damages (Demaria *et al.* 2013; Fioramonti 2013). Some degrowth authors, especially Fioramonti (2013), acknowledge that this accountability has helped public opinion to recognize the flaws in this measure and to initiate a debate about alternatives. Although this is a positive effect, much of the current literature on degrowth criticizes the monetization process of environmental assets present in 'green GDP'. By pricing natural resources using a market mentality, this approach turns them into tradeable and exchangeable products, like other goods and services (Fioramonti 2013).

Despite these efforts to find a substitute or equivalent to GDP, a large and growing body of degrowth literature highlights that it is not a question of finding one single index to replace GDP (Fioramonti 2013). Degrowth aims to provoke a wider debate on economic and social pillars and to replace political guidelines which focus on increasing GDP with the establishment of good lives within our planet's ecological limits (Jackson 2017; Raworth 2017;

Spratt *et al.* 2010). This way, the movement intends to amplify the scope of economic relations and ensure conviviality and social relations are the main components. According to D'Alisa *et al.* (2016), the degrowth movement's emphasis is not on doing less of the same, but doing it differently. In their words: 'the objective is not making the elephant thinner but to transform it into a snail' (D'Alisa *et al.* 2016: 24).

On the constructive side, degrowth brings alternative ways of thinking about the values and drivers of modern economies (D'Alisa *et al.* 2016; Demaria *et al.* 2013). To reduce the metabolism of nations, the movement proposes a shift to economic activities with high social value (and low productivity), as well as a reduction in paid working hours. For this reason, they propose a change to the economy of care and ecological investments, which add high labour intensity and high levels of work satisfaction (Kallis *et al.* 2012). This service-based economy, despite its lower rates of economic growth, can increase our capacity to create more jobs. D'Alisa *et al.* (2016) also emphasize that this change can be efficient for redistributing available work between employed and unemployed workers and to increase time for caring and conviviality.

This shift to service sectors allows for a balance between remunerated and non-remunerated work and diminishes the burden of care, especially on women (D'Alisa *et al.* 2016). From an environmental perspective, this change also allows a physical and economic downsizing in terms of resources and energy flows which will create space for the regeneration of ecosystems (Demaria *et al.* 2013; Martínez-Alier *et al.* 2010). Additionally, degrowth instigates wider discussions for other spheres that will not

be exhaustively detailed in this article, such as new forms of living and producing, a decrease in consuming patterns, and rethinking the role of money, among others (D'Alisa *et al.* 2016).

Recently, more attention has paid to how to achieve this transformation in an organized and structured way. The literature on degrowth, especially Jackson (2017), has highlighted that the movement is not associated with negative growth and does not have to lead to instability. To avoid turning positive degrowth into a recessionary state, degrowth authors stress the importance of macro and micro policies to guarantee a well-designed and sustainable transition (Jackson 2017). Despite the spread of this debate in the Global North, over the last year the degrowth movement has been battling to disturb the political attachment to growth-pursuing behaviour and to increase confidence in the feasibility of its policies. However, recent events related to the COVID-19 pandemic have opened an important window for reviewing and accelerating the debate on how to achieve more egalitarian societies with fewer impacts on the environment. The pandemic, then, despite the global-scale negative consequences, might bring contributions to the movement, as will be discussed in the next section.

III. Degrowth and the COVID-19 Pandemic

According to Paulson *et al.* (2020), the COVID-19 pandemic does not reflect a degrowth process. It was neither caused by a change in societies' mindset about consumption and preferences, nor is it a political decision. Referring to the recession and impoverishment caused by the pandemic, the authors stated: 'these are precisely the kind of phenomena that planned degrowth aims to avoid' (Paulson

et al. 2020: 1). This situation is not voluntary, but is an unprecedented health crisis that is radically changing routines and habits. As this crisis is not challenging the roots of our growth-addicted paradigm, these effects might be temporary. Rebuilding growth could be the guideline exhaustively followed as soon as the pandemic is over. Consumption might be stimulated as never before as a strategy to increase GDP. Nevertheless, this global scenario has slowed the rhythm of nations while it increased awareness of the challenges collectively faced.

The first aspect to be observed is the effect of the crisis from an ecological perspective. According to the Center of Research on Energy and Clean Air (CREA 2020), between February 3rd and March 1st 2020, carbon dioxide emissions dropped at least 25% in China. As the country represents 30% of annual global emissions, this impact represents a significant reduction in global emissions (Beals 2020). These positive effects were mainly caused by reduced industrial activity, flight cancellations, and less use of cars and trains. A lower circulation of people and tourism has caused other less quantifiable effects, such as cleaner waters and fish in Venice's canals. Lower interference by humans has also increased biodiversity and the renewed presence of native species in various regions worldwide.

According to Spratt *et al.* (2009) and Raworth (2017), the acceleration of climate change effects in recent years is mainly connected to the fact that our current economic model is overstepping the planet's environmental boundaries. In this sense, the pandemic illuminated to a broader public the extent to which intense industrial activity is connected to current environmental deterioration. This fact

supports the degrowth movement's arguments for a slowdown in economic activities (and consequently less GDP). According to degrowth literature, this reduction in production levels will open space to restore ecological balance (Demaria *et al.* 2013).

However, changes in the economic sphere are not restricted to reducing the intensity and impacts of industrial production. According to Demaria *et al.* (2012) and Jackson (2017), the degrowth movement advocates a shift to service and care economies, which are employment-rich sectors with lower carbon emissions. The movement also advocates for reduced working hours to maintain employment levels and to better allocate time between remunerated and non-remunerated work. In quarantine times, where most people are working from home, care work has appeared as a challenge to families. During these times, people have struggled to care and support children and the elderly without relying on babysitters, nurses, and schools. Doing these activities while maintaining a full-time job (despite the flexibility of a home office) has demanded a lot of effort to execute both roles simultaneously.

In this sense, this period has brought reflections on the importance of care work for families' well-being. This debate emphasizes the importance of reduced working hours to increase time for non-work activities, such as unpaid care work and household services. According to D'Alisa *et al.* (2016) and Paulson *et al.* (2020), there is also a link between the distribution of care work and power across hierarchies of gender, class, and ethnicity. For this reason, a more balanced distribution of this work might be beneficial not only for increased well-being but for more egalitarian societies.

On the other hand, the changing roles we have experienced during quarantine were not restricted to individuals. The coronavirus crisis has exposed the structural inefficiencies of public health systems in many countries and initiated a debate about public investments. According to Kallis *et al.* (2012) and Jackson (2017), in degrowth societies, there is a change to the concept of 'public money'. For this reason, the authors believe in the importance of taking back control of money issuing as a strategy to finance public expenditure. In the context of a health crisis, prioritizing public investments to basic services has been demanded to restore equilibrium in these sectors.

Besides the discussion on investments in health systems, the pandemic has highlighted debates on how government expenditure supports individual's financial losses and controls unemployment levels. According to D'Alisa *et al.* (2016) and Paulson *et al.* (2020), the degrowth movement has suggested a Basic Income programme in this situation. This programme refers to a periodic payment made by the state to all residents in a nation independent of their income or labour activity. This public policy provides a minimum basic living condition during - and eventually after - this period. This benefit proved to be especially relevant to provide economic security to individuals unable to work during the lockdown.

Degrowthers also debate the importance of community in these new economic proposals (Jackson 2017; Paulson *et al.* 2020). As we face a hugely contagious virus, the value of community support is highlighted time and time again. Despite the political and security efforts to keep people in quarantine, a sense of community, solidarity, and responsibility

has been a uniting factor in operationalizing lockdown measures and keeping citizens at home. Campaigns on social media, for example, spread worldwide the individual responsibility to stop the virus contamination. Citizens have perceived that – despite not being in an at-risk group – they have a social duty to act in solidarity with others at potential risk. Thus, it is possible to say that feelings of solidarity have been a key mechanism for controlling the transmission of this disease. This correlates with the goals of the degrowth movement to refocus societies towards conviviality and care.

This section has reviewed how the effects of the COVID-19 pandemic relate to the policies suggested by the degrowth movement. This historical rupture caused by the pandemic has initiated a debate on alternative ways to restore environmental balance and sustainable social interactions. According to Paulson *et al.* (2020), it is possible to use the learning from this period to engage new actors to organize, protest, and vote for new realities. In their words, degrowth should be caused 'by design and not by disaster' (2020: 3). Yet, if disaster can catalyse new design, then a structured and planned transition towards significant changes in the principles that guide our nations could be truly possible.

IV. Conclusion

In 1972, Meadows and Randers published *The Limits to Growth*, one of the first examples of the degrowth literature. In this book, the authors presented the results of their study that predicted that the continuity of exponential growth would cause major global shortages by 2050 and 2070. This research also observed, among other aspects, that our assumption of infinite growth would also widen the gap between poor and rich

countries (Fioramonti 2013). At this time, the book received much criticism for its results and was denounced as 'a hysterical doomsday prophecy' (Fioramonti 2013: 76). Almost 50 years after this book was first published, the world is experiencing an unprecedented health crisis which has exposed the inefficiencies of current economic models. This topic, that before seemed too radical to contemplate, has now started to seem reasonable to the public. This pandemic has also shown how policies suggested by the degrowth movement, such as an economy of care, reduced working hours, and Basic Income programmes can contribute to the well-being of societies.

It is important to highlight that, despite this positive opportunity for reflection, this article does not aim to reduce the magnitude of the negative impacts of the pandemic. As stated by Jackson (2017) and Paulson *et al.* (2020), collapsing economies threaten human prosperity and this recessionary scenario is precisely what the movement has tried to avoid. An uncertain moment can be worthwhile to reveal how new alternatives can be explored. It also strengthens the values of societies and what they should protect. This historical time has expanded the debate on the need to restructure current economic models and how transition discourses can contribute to the process. In this sense, the movement had the opportunity to engage new actors, expand the reach, and suggest a planned and structured transition to degrow societies.

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Biography

Lívia is a Brazilian economist in the last year of her master's degree in International Studies at the University Institute of Lisbon (Portugal). This article is part of her thesis about the role of innovation under the degrowth approach, using the study case of the Community Development Banks in Brazil. She is interested in the debate about new economic perspectives for development, grassroots innovation movements, and environmental justice. She recognizes in these topics the ability to create alternatives to the current economic and ecological imbalances.