

Post-growth Politics

Peter Ferguson

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A Critical Theoretical and Policy Framework
for Decarbonisation

 Springer

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Preface

Economic growth is one of the most ubiquitous objectives of modern liberal democratic states, second only, perhaps, to the maintenance of national security and territorial integrity. However, since the late 1950s, it has been evident that economic growth faces finite ecological and social limits and, *ceteris paribus*, that economic growth beyond a certain relatively low threshold does not improve societal well-being and in fact often exacerbates social and environmental problems. Today, it is becoming increasingly clear that the complete decarbonisation of the global economy required by the middle of this century cannot happen if the economy continues to grow at the compound rate of three per cent per annum sought by most policymakers and economists. For to do so would require energy and resource use efficiency gains of more than *ninety* per cent globally by 2050. However, if the rate of economic growth is reduced, this decarbonisation challenge becomes progressively easier.

This book uses a critical political economy approach to develop an historically and politically grounded set of strategies for states to move towards a post-growth, decarbonised global economy. In a post-growth economy, sustainable biophysical thresholds would not be breached, the social and ecological costs of economic activity would not exceed its benefits, and the commitment of governments to economic growth would be replaced by objectives such as societal well-being and environmental protection. Developing a better understanding of why governments are so committed to economic growth and whether this commitment can ever be overcome is, therefore, an urgent task.

These questions are answered first by examining the historical evolution of the idea of economic growth. This is found to be a relatively recent phenomenon and thus unlikely to be an enduring feature of the global economy. The fundamental intellectual underpinnings of liberal democracy, such as philosophical liberalism, the nation state, the welfare state and the liberal international order are then critically appraised as to whether these ideas, norms and institutions could ever accommodate a low or no growth economy. It is argued that in the face of catastrophic environmental problems such as climate change, coupled with serious social problems such as deepening inequality, these fundamental tenets of liberal

democracy can be reimagined in a number of creative ways. For instance, ideas of liberty, justice and human autonomy at the heart of liberalism, which in modern societies have been partly served by conventional economic growth, can be reframed to be better aided by ideas such as economic and environmental security. Similarly, welfare states that have traditionally been premised on continual economic expansion can be recast around notions of equality and security. At the same time, the strictures of anarchy which shape traditional realist understandings of the international system, and which lock states into pursuing growth strategies as a means to national security and state survival, can be lessened through multilateral cooperation and new understandings of sovereignty. The book concludes by developing a range of feasible policy instruments to allow the transition to a post-growth economy. These include new income and environmental taxation arrangements, basic income schemes, the establishment of cooperatives in key sectors, alternative measures of progress to Gross Domestic Product (GDP) and new forms of international cooperation on financial regulation, arms control and cooperative security. The adoption of these measures would allow a lessening of the commitment to economic growth and perhaps the first step towards a post-growth, decarbonised economy.

I would like to sincerely thank Prof. Robyn Eckersley for her stimulating and studious supervision of the Ph.D. thesis from which this book was adapted. Thanks also to Dr. Kate McDonald and Prof. Fiona Haines for assistance with this project. I would also like to thank my parents Jim and Allyson Ferguson and wife Dr. Melanie Lowe for their unstinting support throughout the course of writing this book. Finally, I would like to acknowledge the School of Social and Political Sciences at the University of Melbourne and the School of Humanities and Social Science at Deakin University for supporting different stages of this project.

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Dr. Peter Ferguson

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Abbreviations

ABM	Anti-Ballistic Missile Treaty
APEC	Asia-Pacific Economic Cooperation
BWC	Biological Weapons Convention
CBA	Cost–benefit analysis
CFE	Conventional Forces in Europe treaty
CWC	Chemical Weapons Convention
EKC	Environmental Kuznets curve
EROEI	Energy returned on energy invested
EU	European Union
G8	Group of Eight countries
G20	Group of Twenty countries
GATT	General Agreement on Tariffs and Trade
GDP	Gross domestic product
GNP	Gross national product
GPI	Genuine progress indicator
IEA	International Energy Agency
ILO	International Labour Organization
IMD	International Institute for Management Development
IMF	International Monetary Fund
INF	Intermediate-Range Nuclear Forces Treaty
IPCC	Intergovernmental Panel on Climate Change
IPE	International political economy
IR	International relations
ISEW	Index of Sustainable Economic Welfare
MA	Millennium Ecosystem Assessment
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organization
NGO	Non-government organization
NPT	Nuclear Non-proliferation Treaty
OECD	Organisation for Economic Co-operation and Development

PPP	Purchasing power parity
SNBI	Sustainable net benefit index
START	Strategic Arms Reduction Treaty
UK	United Kingdom
UN	United Nations
UNEP	United Nations Environmental Programme
UNFCCC	United Nations Framework Convention on Climate Change
US	United States
USSR	Union of Soviet Socialist Republics
WEF	World Economic Forum
WMD	Weapons of mass destruction
WTO	World Trade Organization

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