Press release

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Beyond growth - an alternative to austerity and stimulus paths out of the crisis ?
Revisiting the Vision of Sicco Mansholt

Brussels, 31 March 2014 – The final conference of a three and a half-year knowledge brokerage project on sustainable consumption and growth took place on 21 March in the European Parliament. The RESPONDER project was funded by the European Commission's Seventh Framework Programme (FP7) and is led by André Martinuzzi (RIMAS, Vienna University of Economics). The conference, which was organized by the Institute of Environmental Science and Technology (ICTA) of the Autonomous University of Barcelona and hosted by French and Greek MEPs Yves Cochet and Nikos Chrysogelos, attracted more than 150 policy makers, EU officials, researchers and members of civil society organisations. Tim Jackson, Giorgos Kallis, Inge Ropke and Joan Martinez-Alier were among the keynote speakers who voiced critical thoughts on the implausibility of coupling ecological sustainability and 'the good life' with economic growth.

The day began with the presentation of insights produced by the project in the fields of mobility, housing, finance, food, consumption, ICT and knowledge brokerage tools between policymakers and research. Using three competing narratives, "system maps" showed that neither austerity, nor Keynesian policy measures are capable of attaining long term sustainability, either ecologically or socially. This is due to their inbuilt dependence on debt and economic growth. Taken together, the maps clearly point to the Beyond / De-growth narrative as the only feasible option for policy making. In the area of housing, for example, the system map perspective points to policies for improving the reallocation and utilization of existing housing stock, and for limiting speculation in the housing sector. The system maps on transport on the other hand illustrate that decreased road capacity, coupled with increased budgets for public transport, and better control of urban sprawl could bring a substantial improvement in transport systems.

Ecological economists then exchanged views with renowned Keynesian economists such as Robert Skidelsky and with representatives from the European Commission and Parliament on the way out of the crisis in Europe. "It was not the debt of sovereigns, but the debts of banks which endangered the solvency of governments", and "the Eurozone crisis was made worse by the policy of fiscal austerity", began Skidelsky. „Austerity and deficit spending were ideas apt for the 1930s; they are no longer for the 2020s. The seemingly simple question "how much is enough?" unsettles economics, a science whose sole pre-occupation is how to produce more and more, independent of whether we really need it, independent of whether this improves our well-being or that of the planet", said Giorgos Kallis from ICTA, Autonomous University of Barcelona.

Tim Jackson, in contrast, stressed the importance of looking at system dynamics, and flagged the malfunctioning of productivity in delivering quality: higher efficiency often implies foregoing quality in terms of relational goods, conviviality, health care and social welfare.

„Let us look beyond Europe not through rapacious Raubwirtschaft eyes scheming how to secure raw materials (we know that the EU imports three times more than it exports as measured in tons). Let us look outside Europe searching for allies for a world ecological economy that deals with poverty through solidarity and redistribution and not through economic growth", added Joan Martinez-Alier. Inge Ropke posited that ecological macroeconomics is the "third position" that should merit the most consideration, as "neither the neoliberal nor the Keynesian deal with the environment and global distribution".

In the afternoon, a working group on policy produced several emblematic proposals, such as combining income and heritage ceilings with the establishment of maximum income ratios and caps on natural resource extraction.

Conference participants also drew attention to the scarcity of funds available for conducting critical research in Europe. While much funding has been allocated for technologically-oriented innovation and efficiency improvements, opportunities under Horizon 2020 (the successor programme of FP7) for critical analyses of economic growth and for research on solutions that provide higher resilience, lower cyclicality and an absolute reduction of resource use are lacking.

In his closing remarks, Yves Cochet, an MEP of the Greens, declared bluntly that degrowth is bound to take place, whether we want it or not. The task that policy-makers urgently have to deal with is thus the configuration of the 'right' policy mix for smoothing the transition process.

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About RESPONDER:

The European project RESPONDER aims to promote sustainable consumption by assessing potential contradictions with economic growth. The project links four communities by facilitating a structured dialogue: science, policy, pro-growth, and beyond growth.

Further information: http://www.scp-responder.eu

Contact

The RESPONDER consortium comprises ten partners from eight European countries. The participants are:

Organisation	Country
Wirtschaftsuniversität Wien, Research Institute for Managing Sustainability (project coordinator)	AT
Institute for Ecological Economy Research (IÖW)	DE
Sustainable Europe Research Institute	AT
University of Barcelona, Institute of Environmental Science and Technology	ES
Technical University of Denmark, Department of Management Engineering, Innovation and Sustainability	DK
University of Surrey, Centre for Environmental Strategy	GB
Institute for Forecasting of the Slovak Academy of Sciences	SK
Universidade Nova de Lisboa, Center for Environmental and Sustainability Research	PT
Swiss Federal Office for Spatial Development, Sustainable Development Section	CH
German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety	DE