

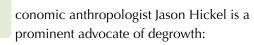
Sustainable Human Development

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BRIEFS ON TRUE DEMOCRACY AND CAPITALISM

If Climate Policy Isn't Social, It Fails

Jason Hickel – Suzanne Kröger



the theory that, if we wish to secure our wellbeing and the health of the planet, we must abandon our capitalist obsession with economic growth. His premise is clear: if we acknowledge the seriousness of the climate crisis, we must also accept the need to radically transform our economies.



Suzanne Kröger (SK): The discussion on shifting the focus away from economic growth is in full swing. In the Netherlands, we now speak of "broad

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welfare", which measures wellbeing and not simply gross domestic product. That's a step in the right direction, isn't it?

Jason Hickel (JH): Of course. It's great that there's a shift underway in how we measure prosperity – that we're now looking at how many people have access to <u>decent housing</u>, or at life expectancy. Even classical economists like Joseph Stiglitz say that GDP, which is nothing more than the market value of everything produced, is a poor way to measure welfare. Former French president Sarkozy set up an entire state commission on this topic.

But we don't think this is enough. If your cars about to drive off a cliff, you can't just slow down. This approach doesn't address the underlying problem: that our energy and resource use is way above what the planet can handle. You have to take the question by the horns, and that's what degrowth is all about.

SK: In theory, we should be able to have a kind of economic development whereby GDP growth is combined with lower energy use and a more efficient use of resources. But can we really decouple growth from our planetary boundaries?

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JH: In theory, yes, but in reality – no. The science is very clear on this. Over the years we've been able to establish that more growth means greater resource use, even in a high-efficiency situation. And the UN's International Resource Panel has come to the same conclusion.

Some higher-income countries have managed to increase GDP while reducing greenhouse gas emissions by switching to solar and other renewables. But that's not the point. We need to accelerate our emission reductions. At present, no country in the world is sticking to a path that will keep us under 1.5 degrees of warming – not even Sweden or the United Kingdom. The United States needs a 17 per cent reduction in greenhouse gas emissions per year, which is much faster than the current rate. Our suggestion is to cut back the production of less essential items to reduce energy use. This is no longer a fringe view; the latest <u>IPCC report</u> also states that industrialised countries should use less energy, and that this doesn't fit with a growth economy.

SK: Some politicians, even within the green movement, are wary of the message of economic contraction or degrowth.

JH: Reducing GDP is not the goal; it's the result of emergency interventions for the habitability of the planet. If you start making fewer SUVs, or fewer private jets, GDP will go down. In the US, if you move from a privatised healthcare system

If the economy were more democratic and focused on fulfilling our actual needs, we would get better, more social outcomes as well as reduced energy consumption. *vill go down. In the US, if you move from a privatised healthcare system to a public one, GDP will go down. But there is no negative impact on our society, nor on our sense of wellbeing.*

At the moment, that sense of wellbeing is quite limited in large parts of society because our production is deeply undemocratic. It is managed and determined by a small group of shareholders whose goal is to

maximise profits, not to meet human needs. The result is a highly inefficient system that uses too many resources and fails to meet basic human needs. That is an irrational economy.

Fast fashion is a good example. We all want something to wear, but we don't like T-shirts that fall apart after the first wash. If the economy were more democratic and focused on fulfilling our actual needs, we would get better, more social outcomes as well as reduced energy consumption. I honestly can't imagine a more powerful good-news story than that.

SK: In your book Less is More, you talk about scaling back the production of goods that don't serve the public interest, such as private jets and SUVs. But who gets to decide what is and what isn't good for public welfare?

JH: Governments can provide services that can make the consumption of this type of luxury goods unnecessary. If you have quality, <u>affordable public transportation</u>, people will choose that – it's cheaper, easier, and more fun than using your own car. In <u>Barcelona</u>, you can take the metro for a euro; electric buses are even cheaper, and electric bikes cost no more than a few cents. The bicycle hire scheme is really popular.

It has been proven time and again that public services distribute wellbeing with minimal use of energy and raw materials, and they do so more cheaply than the private sector. We can also reduce inequality in society, for example with wealth taxes and progressive taxes. After all, the starting point of degrowth is the shrinking of consumption by the rich. The French economist and historian Thomas Piketty says that reducing the purchasing power of the wealthy is the best way to fight climate change. We also need to start a democratic conversation on where to cut back. Surely it can't be that hard for us to come up with reasonable regulations to curb the enormously polluting fast-fashion industry, for example. We have highway speed limits and emissions standards for cars, after all. If Climate Policy Isn't Social, It Fails

If we can't have a conversation about what we want to produce as a society and how we want to use our resources, what is <u>democracy</u> for? In my lectures, I often ask students to identify which sectors are destructive and less necessary. They always come up with the same examples. Everyone can identify the products that are problematic.

SK: Looking through a <u>social justice lens</u>, is it wiser to regulate to make certain things entirely unavailable, or should you instead tax polluting products and activities, meaning that they would still be available for those willing (and able) to pay? In green politics, this is often the crux of the matter.

JH: Take aviation, for example. Clearly, we aren't making progress in finding a way of

O; that is carbon neutral, so we'll have to cut back. But how to do so fairly? You could suggest that people pay the market price for the first flight they take in a year. Any flights after that would be taxed exponentially, so people would pay more.

That's not unreasonable, because majority of people who fly are very wealthy. And people should be able to visit a sick family member, for instance. I'm not in favour of one-size-fits-all restrictions, or a flat-rate tax, because poor people then bear the biggest burden while the rich hardly notice.

SK: This is where the tension lies in an equitable transition. We do our best to better redistribute income and to tax

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pollution and CO2 emissions, but you are still left with people who can afford to buy things and people who can't. This means that additional policies are needed.

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JH: Exactly. The fuel tax in France disproportionately affected poorer people, so the "yellow vests" had every right to challenge that. We are reminded time and again that if climate policy isn't social, it fails. The policy proposals of degrowth eco-socialists address that directly.

We advocate for free healthcare, a free water and energy allowance for every family, and a public option for good, healthy food. Public services are essential in the transition to a post-growth situation, in that they remove the link between growth and welfare. This is how you can be sure that everyone has access to the things they need to live a good life, without having to produce more and more in the private sector.

SK: In your book, you also talk about a job guarantee. What would that look like?

JH: The green job guarantee is what every call for degrowth should begin with. We know that that the private sector isn't going to act fast enough on a lot of the things we need for the green transition: building renewable energy infrastructure, expanding public transportation, making homes energy efficient. A climate jobs guarantee can mobilise people to do that work.

The great thing is that when you present this idea to people – we found this by doing polls – 60 to 70 per cent respond enthusiastically. People want to be involved in important social projects. They would rather do this type of work than generate profit for a company. If jobs are guaranteed, you can also have a rational conversation about the economy. Right now, we can't talk about shrinking the aviation sector because people want to know what will happen to the jobs in the industry. If Climate Policy Isn't Social, It Fails

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SK: Should these be public sector jobs? In the Netherlands, all the areas you refer to – wind energy, the insulation and installation sector, and social housing – are highly privatised.

JH: That's a problem, because yes, they should be public jobs. The distribution and deployment of green jobs should be as decentralised and democratic as possible. Local people should determine what is needed in their area. If a community needs better care, or help with restoring a nearby forest, labour can be mobilised around that. Financing comes from central government, but it can be managed in a decentralised way. Except, of course, for national projects like energy infrastructure.

SK: In the case of Covid-19, governments were quick to build up a large testing and vaccination infrastructure. Did we learn anything from this?

JH: Yes. As the French sociologist <u>Bruno Latour</u> said, we learned that there is an emergency brake on the economy. We now know that, in principle, it is possible to close sectors that are harmful or less necessary. And we have learned that the government can <u>reorganise production</u> so the things we need can be produced extremely quickly. You can ask companies to make face masks; you could also ask them to make wind turbines. We also learned what work is essential, and we can use that knowledge in the climate crisis. Which jobs do we really need to protect? Those in healthcare, in food production – again, things anyone can think of.

SK: As for the energy crisis linked to the war in Ukraine, this doesn't seem to be providing the expected push toward a more sustainable use of energy. Or at least it's a double-edged sword.

JK: In the US, Biden – the so-called "<u>climate president</u>" – is making great efforts to pump oil domestically to reduce dependence on Russia. But if your economy continues to use more and more energy in a tight market, inflation will also increase. In fact, inflation is nothing more than a discrepancy between supply and demand. If Europe wants to curb inflation, it can do so by simply reducing energy consumption. <u>Germany</u> has learned that lesson – just look at its [summer 2022] 9 euro monthly <u>public transport ticket</u>.

SK: The opening of new gas and oil fields is also being pushed by the fossil fuel lobby. How do we get fossil power out of our political systems?

JH: The fossil fuel sector needs to be in government hands. It's the biggest lobbying giant the world has ever known, and its companies are more powerful than most countries: they can bribe politicians, and they overload the media with propaganda. We try to fight this, but we always fail. As soon as we talk about regulating the industry in any sort of meaningful way – let alone reducing fossil fuel production – we end up in a battle we can't win.

So that sector should be in public hands. After all, the oil beneath our feet belongs to us all. If it's in public hands, you can talk about how to manage reductions in use – where energy is needed most, and for what human needs – without causing too much chaos in terms of energy prices. European countries are currently quite powerless: they have no control over energy prices, or over how much gas is flowing. They are treading water, sat in the middle of a climate crisis but unable to address it.

I saw you looked shocked when I started talking about nationalising the fossil fuel industry. We have decided to cut CO2 emissions in half by 2030, and in fact developed countries need to do this even faster. Politicians like to talk about

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emissions, but the point is that fossil fuel usage must also be cut in half. I don't see how that's going to happen if the industry isn't in government hands.

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SK: What you're saying is that we should buy out companies like Shell.

JH: Yes. Governments should have done that two years ago when stock prices collapsed.

SK: Why do you think this is so crucial? Can't you reach the same goals with traditional pricing mechanisms and legislation?

JH: The sector will challenge any legislation; they always have, and they always win. And if fossil fuel companies get to decide how the phase-out is going to happen, then they will also decide who will run into problems when scarcity arises. Millions of people in the UK are having to choose between eating and heating; this should not happen in a developed society.

Governments need to ensure that ordinary people and essential services receive energy at a fair price. Who has access to private healthcare in the United States? Certainly not the people who need it most.

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About Jus Semper: The Jus Semper Global Alliance aims to contribute to achieving a sustainable ethos of social justice in the world, where all communities live in truly democratic environments that provide full enjoyment of human rights and sustainable living standards in accordance with human dignity. To accomplish this, it contributes to the liberalisation of the democratic institutions of society that have been captured by the owners of the market. With that purpose, it is devoted to research and analysis to provoke the awareness and critical thinking to generate ideas for a transformative vision to materialise the truly democratic and sustainable paradigm of People and Planet and NOT of the market.

- About the author: Jason Hickel is an economic anthropologist whose work focuses on global inequality and political ecology. He was born and raised in Swaziland (now Eswatini) where his parents were doctors at the height of the AIDS crisis. He is known for his books The Divide: A Brief Guide to Global Inequality and its Solutions (2017) and Less is More: How Degrowth Will Save the World (2020). He is a Professor at the Institute for Environmental Science and Technology at the Autonomous University of Barcelona, a Visiting Senior Fellow at the International Inequalities Institute at the London School of Economics, and a Fellow of the Royal Society of Arts. As of 2020 he serves on the Harvard-Lancet Commission on Reparations and Redistributive Justice, on the Statistical Advisory Panel for the UN Human Development Report, and on the advisory board for the Green New Deal for Europe. Suzanne Kröger is a Dutch politician of the political party GroenLinks. Since October 2021, she serves as member of the House of Representatives. She also served as member of the House of Representatives between 23 March 2017 and 31 March 2021. She previously worked for Greenpeace, where she contributed to campaigns for protection of old-growth forests and prevention of climate change.
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