



Paris 18-19 april 2008

economic de-growth for ecological sustainability
and social equity



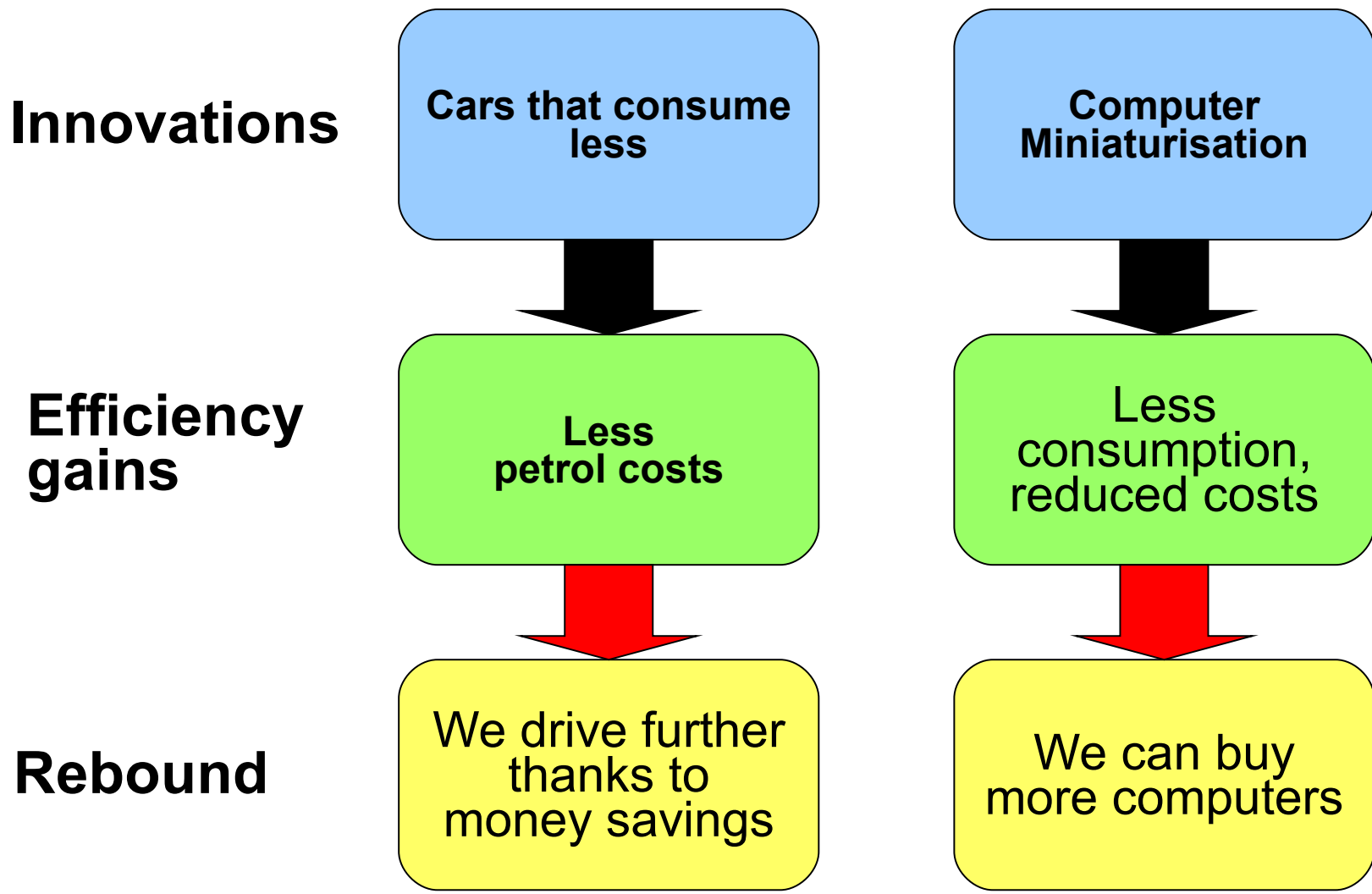
Macroscopic Rebound effects as argument for economic degrowth

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Rebound effect linked to economic efficiency



Macro-Rebound effect

- increase of consumption linked to the reduction of limits to use a technology.
 - These limits might be monetary, temporal, social, physical, “effort”, spatial, and organisational.
 - The visible aspect of personal behaviour is a tiny aspect of Rebound effect
 - We include Economy wide & inter-sectorial rebound

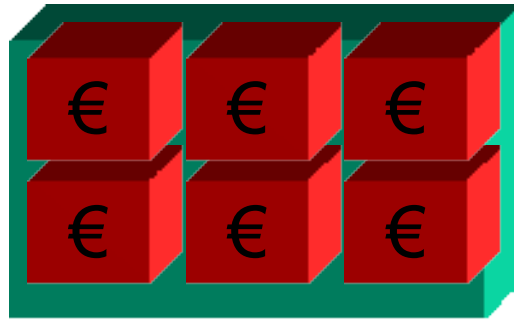
Economic growth vs Rebound Effect

- Monetary growth is a fundamental increase of collective capacity to acquire resources
- Growth of an immaterial economy has the potential of a reallocation to the material economy: the collective capacity to acquire natural resources increases with economic growth



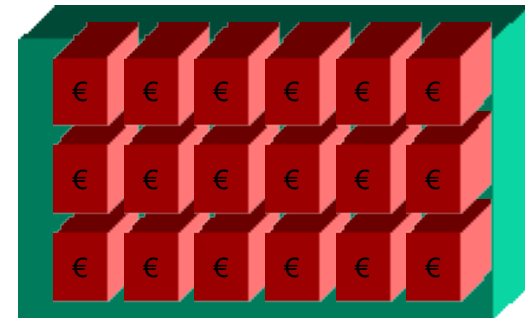
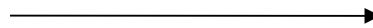
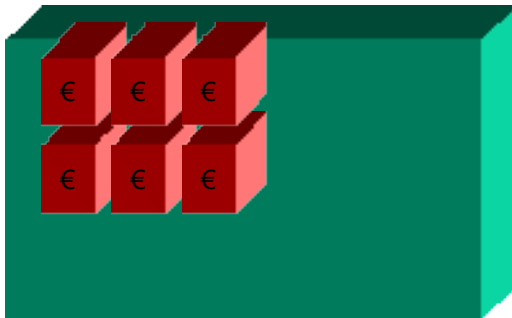
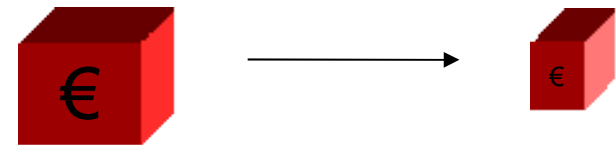
Monetary Growth and rebound effect are closely related.

Rebound effect



We do not want to consume more because our limits are reached

Product (or service) innovation



Rebound effect: product (or service) innovation enables us to increase our consumption.

The level of consumption of the north is unsustainable and more world equity is infeasible

How do we intend to solve the problem?

With (Eco-)Efficiency and Economic Growth (Sustainable Development)

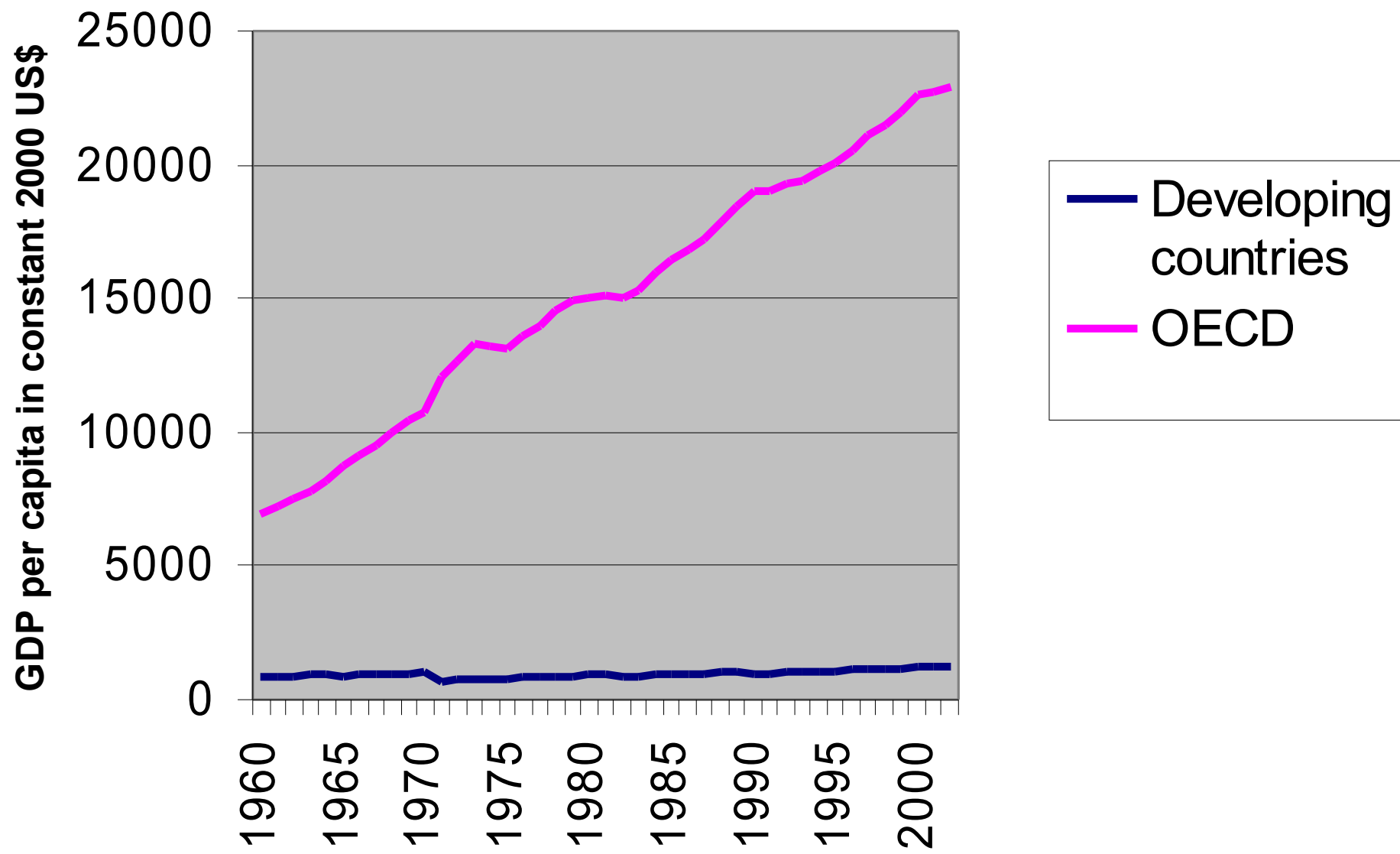
we await:

- Dematerialization: less extraction and emissions
- Less unemployment
- Avoidance of recession
- More free time
- World equity
- More social interactions
- Security
- Health
- Happiness

We tested the remedy

- Efficient services
- Clean cars, saving bulbs, solar panels, recycling ...
- Highways, Internet, fast trains
- Economies of scale
- Automation
- Miniaturised electronics

GDP per capita (source: World Bank)



A few words of advertising

Faster!!

Cheaper!!

Safer!!

No effort !!

Ecological!!

**Smarter
Lighter**

Better for health

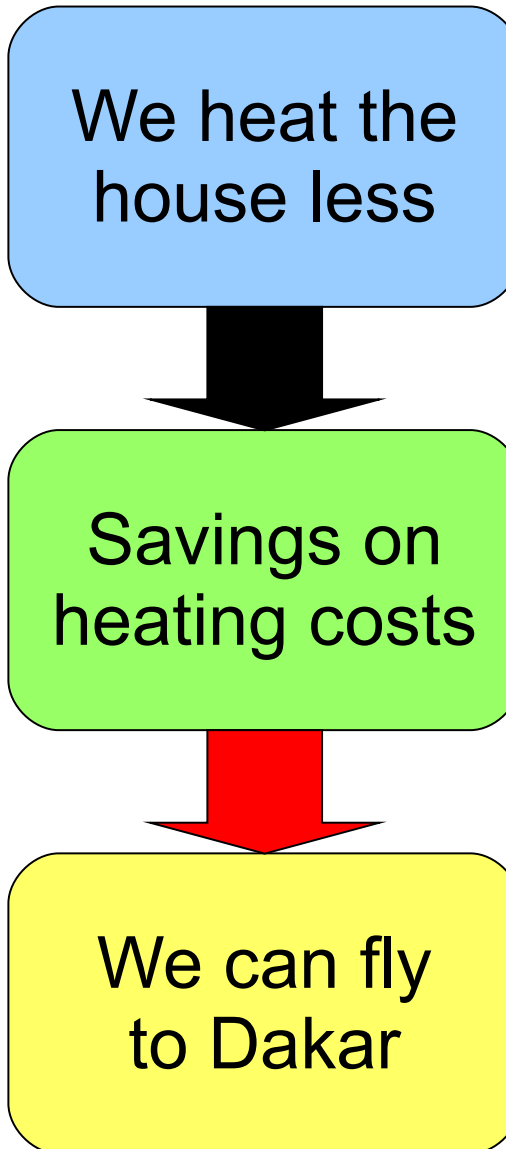
We consume always more :

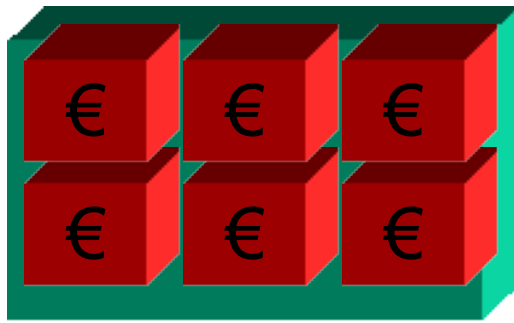
- **more flights,**
- **more cars,** heavier and more powerful, travelling longer distances,
- **more heating** and more air conditioning in larger living space,
- **more imported** products,
- **more concrete or asphalt,**
- **more products and services** in economic terms.

And ...

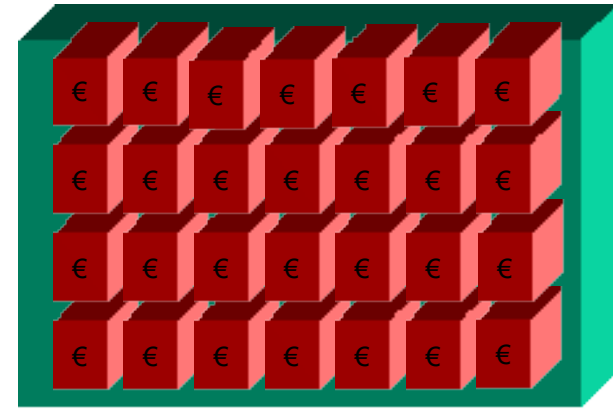
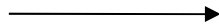
- The world is **not less polluted**
- We did **not save time**
- We always **spend a lot**
- **Unemployment** is not solved
- Culture is becoming more uniform
- World **inequity** is sharpening
- Our life is **not less risky**
- We are at risk of **recession**
- We are **not happier**

Rebound effect linked to frugality





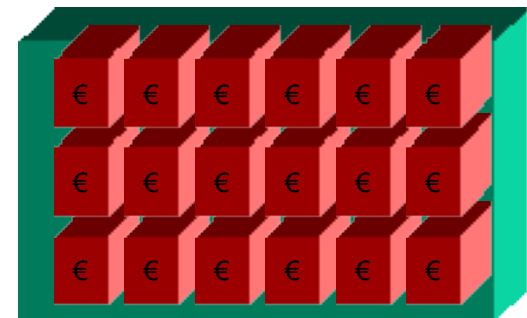
Demateria-
lisation



Economic growth
is achieved at the
condition of higher
levels of consumption



At the same level of
consumption we would have
Economic Degrowth



Myth of the service economy

- **Increasing share of GDP**
- Services did not reduce production
- Production has largely been delocalised in countries where employment is cheaper and less regulated *Mont (2002)*
- Immaterial growth is too risky considering the rebound effect

- **Questions**
 - **Do services replace production (new needs, delocalisations) ?**
 - **Do they have less impacts accounting of indirect impacts?**
 - **Do they really support frugal lifestyles ?**
 - **Do they replace convivial/free human activities?**
- **If services replace material intensive activities what is the effect on economic growth?**

True rebound prevention

- Reducing the capacity (financial or else) to exploit resources



Why Degrowth?

- Economic crisis problem
- Ecological problem
- Non-equity problem
- Democratic problem
- Well-being problem
- Scientific problem

Clarifications for Sustainable Degrowth

- Physical and economic processes
- Diverse
- Personal and collective at local and global levels
- Democratic
- Fair
- Avoiding crisis
- Transient
- Global
- Innovative (frugal innovation)

Potential gains of degrowth

- **More nature**
- **More time**
- **More equity**
- **More spaces for conviviality and art**
- **More health and security**
- **Less unemployment and less stress**
- **More happiness ?**

Soft landing of the economy at a sustainable level

COMBINING A BALANCE OF

- **Degrowth in production:**
 - Efficiency : less resources per unit produced
 - reduction of most damaging industries with eco-taxes, open-localisation, restructuring
- **Frugality:** voluntary decrease of consumption
- **Reduction of paid working hours**
- Sharing and redistribution

**Internationalisation of the
debate around Degrowth**

**International Research on
Sustainable Degrowth**

Thank you

If you are interested to take part of a research platform
"Research & Degrowth

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www.degrowth.net