

Conference proceedings

Degrowth and inequality : the link between ecological and social crisis

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DEGROWTH PROPOSAL: WHAT IS IT ABOUT, HOW DO WE
ACHIEVE IT?*

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For Ecological Sustainability
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Introduction

French writer and journalist, H. Kempf is the author of *How the rich are destroying the earth* (2007), and of *Pour sauver la planète, sortez du capitalisme* (2009). These books, first published in French, where they are bestsellers, have been translated, for the first, in English, Spanish, Italian and several languages, and for the second, in Italian, Portuguese, and soon in Spanish.

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Speech from Hervé Kempf

We're going to discuss the link between ecological crisis and social crisis

The first point to consider is that we are living through an historical period. Our time has a special characteristic : it is the first time in the history of the human species that our generation, and the generation before, experiences the limits of the earth. Until now, humans have lived as if the earth, the biosphere, were infinite.

Now, this time is over. The biosphere is closed, and we must manage to live in a world that is full, that is limited. How does this manifest itself? By an ecological crisis that is also of historical proportions, in that it is a world crisis, felt in every place on the earth.

We have learnt about these facts for four decades. But we are not taking sufficient action to prevent the crisis ? Why ? Because all the descriptions and analysis of ecological issues forget one most important thing : these events are happening in our society, where power and economic relations determine policies.

In brief, the ecological crisis is continuing because we are in a world society dominated by an oligarchy. This oligarchy does not want to change, because change would mean weakening its power and privileges. To really understand that, we have to look at the social situation.

Firstly, there is the return of poverty in rich countries. I will not bombard you with statistics, there are too many. Just the fact that everywhere, poverty which was on the decrease since the forties stopped that trend, and often began increasing again.

Besides this increase of poverty everywhere, there is an increase of inequality. Inequality between the nations : for example, according to the United Nations development program, an average American citizen was thirty eight times richer than a Tanzanian in 1960. In 2005, the figure was sixty one.

But there is also an increase of inequality within nations. There is much research on that topic. I'll just talk about a study which illustrates perfectly well that growing inequality. It has been done by Carola Frydman, of Harvard University, and Raven Saks, of the Federal Reserve board of governors.

It compares the pay of executives in 100 top companies in the U.S. with the average worker's salary: that is a good witness of the evolution of the inequality in the U.S.A., since the number goes since the end of the forties. The ratio remained stable from the forties to the eighties : Executives earned something like 40 times the worker's salary. Then begin to rise steeply, until... more than 300 in 2000. That is only one of the many statistics of this kind. Inequality has increased a great deal in the last thirty years, with the constitution of a very rich oligarchy.

Note that the phenomenon is the same throughout the world : increase in the European countries and in

Japan, but also in Russia, in China, in Latin America.

But... they have that money, they have that power... what does this oligarchy do? It saves its money in tax havens, in places such as the Caribbean or Monaco. It pushes for the decrease of taxation on the rich in all the western countries. And the oligarchy spends a lot - we will see why it is important: it buys big cars, big boats, private planes, luxury goods, big houses, things, many things.

Why is this oligarchy, in a situation of such inequality, exacerbating the ecological crisis ? What is the connection between ecology and the social situation ?

I will base my argument upon an economist called Thorstein Veblen. Veblen was an economist at the end of the nineteenth century. He was very famous in his own day, and still later, until the sixties. What does he have to say?

First, that the tendency to rivalry is common to human nature. Every man and woman, in society, at any time, tries to distinguish himself or herself from others, to show by any sign that he is different and a little smarter.

Secondly, Veblen says that this characteristic is the engine of economic life. Wealth is not sought to fulfil real needs, but to acquire this distinction.

Here, Veblen breaks with classical economists, but also with marxist economists: they say that needs are infinite and resources always too rare, so we should have to increase production. Veblen tells us that needs are not unlimited, but that they are developed and stimulated by social life.

In most societies, he says, there is in fact more than people need to eat, to have shelter, to have clothes, even to have parties and to have some fun. If societies work to get more, even if they don't really need it, it is because of this inherent striving for distinction.

Then comes the other point.

In a society, there are several classes. Each class lives according to the principle of distinction : and it does so by imitating the people that are in the class above. Imitating from below to above, all classes imitate the upper class, and the upper class sets the norm, the standard, the "savoir-vivre" says Veblen, that is the "way to live": in fact, the way the upper class lives defines what the norms are, what it means to be chic. And from top to bottom, according to everybody's means, these norms are imitated. The upper class delineates the cultural model of consumption. The upper class itself is in competition for prestige, everyone wants to show off he is the best, and that means ostentation, conspicuous consumption, a huge waste of resources.

So what happens when there is a lot of inequality, and when the upper class has so large an income? Why is the oligarchy today the ecological problem ?

Firstly, because it is highly conservative and blocks the change necessary to adapt to the ecological and social crisis. It blocks by its political power, by its economic power, and partly by its control of the media.

But the oligarchy is also the problem because it draws a cultural model of wasteful and overconsumption that is followed by all society. It works not only inside individual societies, but, in our globalised world, through all our world society: I mean that the cultural model created by the oligarchy in the most affluent country - the United States - is imitated by the oligarchies of all other countries, and that, in all countries, all the classes try to imitate their own oligarchy.

Let's return to the ecological crisis, now, and what we need to do.

To put it simply, the main tool we have today to prevent the deepening of the ecological crisis is to

decrease the pressure on the biosphere. That means to decrease the mining of the natural resources, oil, water, gold, iron, wood, uranium, copper... That means to decrease material consumption, to decrease energy consumption.

But we will not decrease consumption by the poor, by the two billion people who live with less than two dollars a day, nor by the 35 % people in rich countries who are in a precarious situation.

Not only the super rich, the oligarchy. No, it is not enough: they represent only one per thousand of the world population. We have to decrease the material consumption of the rich, that is the roughly the 1 billion middle class in the western world – and upper class in emergent countries.

But, how as a member of the middle class, will I accept a decrease in my energy use, in my material consumption, in my income, if I see that the oligarchy does not change ? I won't.

The basic solution is to decrease the material consumption of the higher class, of the super rich, of the oligarchy. It will create social justice, allowing the middle class to accept the change in its way of living. It will shake break the cultural model of wasteful, the values of the "chic", to turn to less wasteful ways of living. And it will liberate resources to make new and other policies : ecological policies, energy efficiency, education, health, restoration of polluted areas, public transportation, new urbanization, and so on, that is : policies which help the poor, diminish inequality, so help to find an harmony in society, and also have less impact on the environment.

I will finish on this positive note, to tell you that we can prevent ecological and social crisis not only by practicing constraint, but by a will to make policies which will make life better for everyone.

