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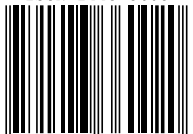
AUSTRALIAN QUARTERLY

2018 SPECIAL EDITION

Postcapitalism

INCLUDING: DR RICHARD DENNISS | PROF STEVE KEEN | DR AMANDA CAHILL | PROF KATHERINE GIBSON & MORE

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**TRANSCENDING
CAPITALISM:**
A Post-Growth Economy

**WELL-BEING TO
WELL-LIVING:**
Rethinking quality of life

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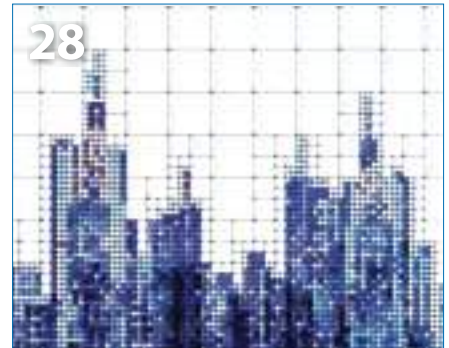


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A WORD

Of the many societal forces that affect us – family, community, government, technology etc. – the economic paradigm under which we live arguably has the most effect on our lives.

It can make or break our employment options, it provides technological marvels that enable our creativity or aspirations, it underpins our ‘free’ healthcare and education. Embracing ‘The Free Market’ and the boom times of capitalism have maintained Australia’s living standards as the envy of the world.

The decision to open Australia up to such opportunities was a conscious choice by the reformist governments of the 70s and 80s. Likewise, the choice to re-evaluate and question the terms of these pacts should also be conscious decisions.

Corporate Capitalism and the economy are not monoliths; yet when governments anthropomorphise an economic mechanism – ‘The Market will not approve!’ – then you risk turning a system within our control into a deity, all-powerful and immutable. This zealous adherence to a paradigm helps no one.

Our future is a Choose-Your-Own-Adventure – a theme that you’ll notice running through this edition. There are many paths (and just as many diversions) we can take on the road to a fair, equitable and prosperous future. In this Special Edition, *AQ* deconstructs our current economic situation and lays out a range of possible paths for consideration.

Whether it’s evolving the misappropriated idea of ‘well-being’, or completely turning our growth-obsessed models on their head, this edition offers incremental, as well as radical, possibilities from some of Australia’s most respected thinkers on social and economic theory.

We ask why loving ‘stuff’ is good for the planet; and why Australia’s energy policy is a microcosm for how the broader economy can work smarter; all this, and much more, inside.

None of these articles claim to be a manifesto for the future, but just like a Choose-Your-Own-Adventure, the solution will zig-zag between many potential options on its way to a conclusion.

As such, we hope this important edition continues to drive the debate over what our country (and indeed the world) should be doing to prepare and position our societies for the next age of economic development.

Read it, share it, join the conversation! You can find *AQ* on Facebook (@AQAustralianQuarterly) and Twitter (@AQjournal)

Grant Mills
Editor-at-large

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THE ONLY
SUSTAINABLE
GROWTH IS
DEGROWTH

Transcending capitalism

Policies for a post-growth economy

The 1972 publication of the *Limits to Growth* report sparked a controversy that has yet to subside. This book argued that if population, resource use, and pollution kept increasing on our finite planet, eventually economies would face environmental ‘limits to growth’ – with potentially dire consequences. Although evidence is mounting in support of this position,^{1,2} any suggestion that nations might have to give up economic growth, or even embrace a ‘degrowth’ process of planned economic contraction, is typically met with fierce resistance, especially by mainstream economists.

ARTICLE BY: DR SAMUEL ALEXANDER

In response to such arguments, most economists tend to insist that technological innovation, better design, and market mechanisms will mean that economies can and should continue growing indefinitely.

The main political implication of the growth paradigm is that governments shape policies and institutions with the aim of promoting economic growth, giving society a ‘pro-growth’ structure. Just recall how tediously Prime Minister



‘Earth as a Petri dish’ has become worryingly apt,

given that the dominant colony seems to be consuming all the available resources and is at risk of poisoning itself from its own wastes.



Turnbull repeated his ‘jobs and growth’ mantra during the last election campaign.

This vision is supported by consumerist cultures that seek – and indeed expect – ever-rising material living standards. On the flip side, any policies and institutions that might inhibit economic growth are presumptively rejected.

Nevertheless, as an expanding global population continues to pursue ever-rising material living standards by way

of sustained economic growth, the global economy is being driven into gross ecological overshoot, with climate change being only one of a range of troubling environmental disturbances.

Indeed, the metaphor of ‘Earth as a Petri dish’ has become worryingly apt, given that the dominant colony seems to be consuming all the available resources and is at risk of poisoning itself from its own wastes, raising questions about whether humanity can muster the intelligence to avoid the fate of common bacteria. Techno-optimists and free marketeers promise ecological salvation via continuous ‘green growth’, all the while Earth is being destroyed as global capitalism marches resolutely on.

To make matters more challenging still, lifting the poorest billions out of destitution is likely to place further burdens on an already overburdened ecosystem. This confluence of ecological and social justice imperatives calls radically into question the legitimacy of further economic expansion in the already high-impact, consumerist societies of the developed world. Yet the idea of transcending the growth economy – and thus the capitalist mode of production that depends on growth for stability – remains largely unthinkable in mainstream economic and political discourse.

This short article outlines a range of bold policy interventions that would be required to produce a stable and

IMAGE: © Medmyco-Wiki



The question will not be *whether* a post-growth economy is required, but rather *how* to create one – **by design rather than disaster.**

flourishing post-growth economy. I acknowledge that most people do not recognise the need for a post-growth economy yet, and therefore would reject these policy proposals as unacceptable or unnecessary. But as the limits to growth tighten their grip on economies in the coming years and decades, the debate will inevitably evolve, and the question will not be *whether* a post-growth economy is required, but rather *how* to create one – by design rather than disaster.

A post-growth economy will require, among other things, developing new macroeconomic policies and institutions, confronting the population challenge, and culturally embracing post-consumerist lifestyles of material sufficiency. The following proposals are not intended to be comprehensive, and they are not presented as a blueprint that could be applied independent of context. Instead, the review simply outlines a range of key issues that would need to be addressed in any 'top down' transition to a post-growth economy (even if the drivers for change must come 'from below', at the grass-roots level).

Explicit adoption of post-growth measures of progress

In order to transcend the growth model, the first thing needed is to adopt better and more nuanced

measures of progress than GDP.³ What we measure, and how we measure it, matters. It is now widely recognised that GDP is a deeply flawed measure of societal progress, yet it remains the dominant way to assess politico-economic success.

Accordingly, a politics and economics 'beyond growth' must begin by explicitly adopting some post-growth measure of progress, such as the Genuine Progress Indicator (GPI). Although it is not a perfect metric, the GPI takes into account a wide range of social, economic, and environmental factors that GDP ignores, thus representing a vast improvement over GDP.

Public understanding of, and support for, such post-growth accounting systems would open up political space for political parties to defend policy and institutional changes – such as those outlined below – that would genuinely improve social wellbeing and enhance ecological conditions, even if these would not maximise growth in GDP. If we do not measure progress accurately, we cannot expect to progress.

Reduce overconsumption via diminishing 'resource caps'

One of the defining problems with the growth paradigm is that the developed nations now have resource and energy demands that could not possibly be universalised to all nations.

The quantitative 'scale' of our economies is grossly overblown. It follows that any transition to a just and sustainable world requires the developed nations to stop over-consuming the world's scarce resources and reduce resource and energy demands significantly.

Although in theory, efficiency gains in production provide one pathway to reduced demand, the reality is that within a growth economy, efficiency gains tend to be reinvested in more growth and consumption, rather than

WELL-BEING VS. WELL-LIVING

Want to find out what Post-Capitalist happiness look like? See Hamed Hosseini's piece on **p35**

reducing impact. In order to contain this well documented phenomenon, a post-growth economy would need to introduce diminishing resource caps – that is, well defined limits to resource consumption – to ensure that efficiency gains are directed into reducing overall resource consumption, not directed into more growth.

Formulating a workable policy in this domain would require, among other things, a highly sophisticated and detailed scientific accounting of resource stocks and flows of the economy. But the first step is simply to recognise that, in the developed

**If we do not measure progress accurately,
we cannot expect to progress.**

A post-growth economy would share the available work amongst the working population, thereby minimising or eliminating unemployment even in a non-growing or contracting economy.

nations, diminishing resource caps are a necessary part of achieving the decline in resource consumption that is required for justice and sustainability.

Working hour reductions

One obvious implication of diminishing resource caps is that a lot less resource-intensive producing and consuming will take place in a post-growth economy. That will almost certainly mean reduced GDP, although there is still great scope for qualitative growth (technological innovation, efficiency improvements, and improved wellbeing). But what implications will a contracting economy have for employment?

Growth in GDP is often defended on the grounds that it is required to keep unemployment at manageable levels. If a nation gives up the pursuit of GDP, therefore, it must maintain employment via some other means. Restructuring the labour market is essential for the stability of any post-growth economy. Could we work less but live better?

By reducing the average working week to, say, 28 hours, a post-growth economy would share the available work amongst the working population, thereby minimising or eliminating unemployment even in a non-growing or contracting economy, while at the same time increasing social wellbeing by reducing overwork.⁴ The aim would

be to systematically exchange superfluous consumption for increased free time, which would also bring environmental benefits.

Rethink budget spending for a post-growth transition

Governments are the most significant player in any economy and have the most spending power. Accordingly, if governments decide to take the limits to growth seriously this will require a fundamental rethink of how public funds are invested and spent. Broadly speaking, within a post-growth paradigm public spending would not aim to facilitate sustained GDP growth but instead support the projects and infrastructure needed to support a swift transition to a post-growth economy.

This would include huge divestment from the fossil fuel economy and a co-relative reinvestment in renewable energy systems. But it would also require huge investment in other forms of 'green' infrastructure. Currently, many people find themselves 'locked in' to high-impact lifestyles due to the structures within which they live their lives.⁵

To provide one example: it is very difficult to stop driving a private motor vehicle if there is poor public transport and insufficient bike lanes. Change the infrastructure, however, and new, low-impact lifestyles would be more easily embraced. Greening infrastructure will

CURIOUS TO CHANGE THE NATURE OF LABOUR AND BUSINESS?

Then Healy et al have you covered on p28

therefore require a significant revision of government expenditure.

Renewable energy

In anticipation of the foreseeable stagnation and eventual decline of fossil fuel supplies, and recognising the grave dangers presented by climate change, a post-growth economy would need to transition swiftly to renewable energy and more efficient energy systems and practices. This provides a hugely promising space to meaningfully employ large segments of the population as the fossil fuel economy enters terminal decline.

But, just as important as 'greening' the supply of energy, is the challenge (too often neglected) of reducing energy demand. After all, it will be much easier to transition to 100% renewable energy if energy use is significantly reduced through behavioural changes, reduced production and consumption, and more efficient appliances.

The extremely tight and fast-diminishing carbon budget for a safe climate now makes this 'demand side' response a necessity,^{6,7} yet the significantly reduced energy demand required for a safe climate is incompatible with the



growth model, because energy is what drives economic growth.⁸

Accordingly, a post-growth politics would initiate a transition to 100% renewable energy financed in part by a strong carbon tax, and undertake a public education campaign to facilitate reduced energy demand.

EXPLORE WHY ENERGY POLICY IS A MICROCOSM FOR CHANGE

Read Amanda Cahill's article on **p22**

Banking and finance reform

Currently, our systems of banking and finance essentially have a 'growth imperative' built into their structures. Money is loaned into existence by private banks as interest-bearing debt,



**CURRENTLY, OUR SYSTEMS
OF BANKING AND FINANCE
ESSENTIALLY HAVE A
'GROWTH IMPERATIVE'
BUILT INTO THEIR
STRUCTURES.**

and in order to pay back that debt plus the interest, this requires an expansion of the money supply.⁹ Furthermore, there is so much public and private debt today that the only way it could be paid back is via decades of continued GDP growth.

This type of banking system requires growth for stability and yet limitless economic growth is the driving force behind the environmental crisis. In order to move toward a stable, post-growth economy, part of the institutional restructuring required involves deep reform of banking and finance systems.

This is a complex transition that could take various forms, but at base it would require the state taking responsibility for creating banking and finance systems that do not require growth for stability, and strictly regulating these systems to ensure equity.

CURIOUS ABOUT THE FUTURE OF THE BANKING ECONOMY?

See Steve Keen's article on **p14**

Population policies

As population grows, more resources are required to provide for the basic material needs of humanity (food, clothing, shelter, etc.), increasing our



As Paul Ehrlich famously noted, ‘whatever problem you’re interested in, you’re not going to solve it unless you also solve the population problem.’

demands on an already overburdened planet. It is absolutely imperative that nations around the world unite to confront the population challenge directly, rather than just assuming that the problem will be solved when the developing world gets rich.

Population policies will inevitably be controversial but the world needs bold and equitable leadership on this issue. Research suggests that the world is facing a population of around 9.5 billion by mid-century and 11 billion by the end of this century,¹⁰ which would be utterly catastrophic from both social and environmental perspectives. As Paul Ehrlich famously noted, ‘whatever problem you’re interested in, you’re not going to solve it unless you also solve the population problem.’

Reimagining the good life beyond consumer culture

Despite the environmental necessity of population stabilisation and eventual decline, the fact remains that currently there are 7.6 billion people on earth, all of whom have the right to the material conditions needed to live a full and dignified human life. Nevertheless, if the global economy is to raise the material living standards of the great multitudes currently living in destitution, this is likely to put further pressure on global ecosystems.

Therefore, in order to leave some ‘ecological room’ for the poorest people to develop their economic capacities in some form, high-impact consumer lifestyles must be swiftly transcended. There is no conceivable way that seven

billion people, let alone eleven billion, could exist sustainably on Earth living consumerist lifestyles.

Globalising affluence, quite simply, would be ecologically catastrophic. Accordingly, members of the global consumer class need to reimagine the good life beyond consumer culture and develop new conceptions of human flourishing based on sufficiency, moderation, frugality, and non-materialistic sources of meaning and satisfaction.

WANT TO FIND A CURE FOR AFFLUENZA?

Richard Denniss has the answers on p10

Distributive justice

Environmental concerns cannot be isolated from social justice concerns. The conventional path to poverty alleviation is via the strategy of GDP growth, on the assumption that ‘a rising tide will lift all boats’. Given that a post-growth economy deliberately seeks a non-growing economy – on the assumption that a rising tide will sink all boats – poverty alleviation must be achieved more directly, via redistribution, both nationally and internationally. In other words (and to change the metaphor), a post-growth economy would eliminate poverty and achieve distributive equity



IMAGE: © Kent Lins-Flickr

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Dr Samuel Alexander is a lecturer with the Office for Environmental Programs and Research Fellow with the Melbourne Sustainable Society Institute, University of Melbourne. He is also co-director of the Simplicity Institute. He has published ten books on themes related to degrowth, permaculture, and voluntary simplicity, including *Art Against Empire: Toward an Aesthetics of Degrowth* (2017); *Prosperous Descent: Crisis as Opportunity in an Age of Limits* (2015); and *Entropia: Life Beyond Industrial Civilisation* (2013). In 2016 he also co-produced a documentary called *A Simpler Way: Crisis as Opportunity*. Most of his writing is available at www.samuelalexander.info

not by baking an ever-larger economic pie but by slicing it differently.

Any attempt to systemically redistribute wealth via taxation or property reform will be highly controversial, especially in our neoliberal age, but present concentrations of wealth demand a political response. Research published this year shows that the richest 8 men on the planet now own more than the poorest half of humanity. Dwell on that for a moment.

There is no single best policy for eliminating poverty or achieving a just distribution of wealth, but key policy options include: (i) a basic income or job guarantee for all, which ensures that every permanent resident has a minimal, living wage; (ii) progressive tax policies (i.e. the more you earn, the higher the tax rate) which could culminate in a top tax rate of 90% or more; (iii) wealth taxes, that systematically transfer 3% of private wealth from the richest to the poorest recognising the large social component in wealth production; and (iv) estate taxes of 90% or more to ensure the laws of inheritance and bequest do not create a

class system of entrenched wealth and entrenched poverty.

I contend that these policy platforms – all in need of detailed elaboration and discussion – should be the opening moves in a ‘top down’ transition to a post-growth economy. To be employed in concert, they clearly challenge the dominant macroeconomics of growth and would require far more social control over the economy than neoliberal capitalism permits today.



Markets work well in some circumstances, no doubt, but leaving everything to the market and thinking this will magically advance the common good has been proven dangerously false. The policies above also depend upon a society that sees the necessity and desirability of a post-growth economy, hence the special importance of public education campaigns and the emergence of a new, post-consumerist culture of consumption. Beyond these policy platforms, it

should go without saying that any post-growth transition would require an array of other structural changes, including policies to create (or recreate) a ‘free press’; policies to ensure that campaign financing rules do not permit undue economic influence on the democratic process; policies that ensure affordable housing or access to land; and so forth.

I do not pretend to have provided a complete political agenda for a post-growth economy. The proposals above are merely key aspects of such a transition and a good place to begin thinking about how to structure a just and sustainable, post-growth economy.

As well as maintaining and updating the critique of growth and detailing coherent policies for a post-growth economy, it is also important to develop sophisticated transition strategies that would maximise the chances of a post-growth political campaign succeeding. Among other things, this would involve exploring the role grassroots social movements might have to play creating the cultural foundations for a post-growth economy. As suggested above, a clever and sustained ‘social marketing’ campaign promoting a post-growth economy is critical here, in order to weaken the hold the ideology of growth has on society. 

A post-growth economy would eliminate poverty and achieve distributive equity not by baking an ever-larger economic pie but by slicing it differently.



From lawn to lattes~

The cult(ure) of consumption

Consumerism can mean the exact opposite of materialism. Where consumerism usually refers to the love of consuming, the love of purchasing, and the love of acquiring the new, materialism refers to the love of the material objects themselves. And if you love something, then the thought of throwing it away to replace it with a new model would be a source of pain, not joy.

ARTICLE BY: **DR RICHARD DENNISS**

If people learned to love their stuff, really love it, then rather than spend their time and money on 'retail therapy' they would willingly spend their time and money caring for their things, maintaining them, repairing them, restoring them and, when they had no further use for them, finding those once-cherished objects a new home.

But 'consumer culture' means that it is now considered normal to believe that waste creates wealth. The idea that people would spend \$10 per litre to

‘Consumer culture’ means that it is now considered normal to believe that waste creates wealth.

buy bottled water and then throw the bottle away is not seen as ‘inefficient’ in the world of economic rationalism, rather, such unnecessary consumption of resources is usually seen as ‘good for the economy’.

Just as the ancient Egyptians used their spare economic capacity to build pyramids and the ancient Chinese built walls, modern consumer capitalism builds mountains of unused appliances, unworn clothes and uneaten food.

Life before lattes

Culture is a significant, but often overlooked, driver of the shape and measured size of economic activity. All cultures are free to decide which resources to waste and which monuments to build. Take lawn for example.

Lawn is the largest irrigated crop in the United States with three times more land dedicated to the growing of grass than corn. This cultural preference for a manicured lawn has enormous economic consequences and drives the demand for lawn mowers, lawn seed, lawn fertiliser, edge trimmers, sprinklers and even water consumption. If the same effort was put into growing fruit and vegetables the US economy would look radically different.

Similarly, in countries like Australia, the current cultural preference for buying coffee and breakfast has made the cafe industry one of the nation’s largest employers.

20 years ago most Australians were content to choose between Nescafé or Moccona when they felt like a coffee;

today millions of Australians queue to pay \$4 for a flat white, a product that didn’t even exist 30 years ago. What has become known as ‘cafe culture’ is now a major determinant of the shape of the Australian economy.

While economics students are typically taught that it is the price of lawnmowers, water or coffee that determines demand for lawnmowers, water or coffee, that claim is only true when used in conjunction with the statement ‘all other things remaining equal’. And all else is rarely equal.

Just as technological change has transformed the camera industry, the movie rental industry and the entire retail sector, cultural change rapidly and regularly transforms large section of national economies.

TODAY MILLIONS OF AUSTRALIANS QUEUE TO PAY \$4 FOR A FLAT WHITE, A PRODUCT THAT DIDN’T EVEN EXIST 30 YEARS AGO.



Again, while economics students are taught that demand curves shift in response to ‘changing tastes and preferences’, little effort is usually put into understanding what changes those tastes and preferences. Or, to put it another way, determining how culture is shaped and reshaped.

THINK CULTURE IS THE CAUSE?

See how changing our concept of society can change our economics in Hamed Hosseini’s article on **p35**

It is now widely accepted that the disposal of perfectly functional food, clothes or appliances and replacing them with newly imported ones is 'good for the economy'... It is a new and important cultural phenomenon.

A mythology of collapse

Those who want to transform capitalism can learn much from the history of how cultural change has driven economic change. The abolition of slavery, the banning of asbestos and the end to commercial whaling were all cultural shifts that drove significant economic shifts. But despite the importance of cultural change on the shape of the economy, economics lectures and public debate usually ignore, or downplay, the role of culture as a driver of economic growth and change.

It is easy to see how individual consumer trends such as our appetite for lawn, coffee or bottled water have influenced the shape of the economy. But it can be more difficult to see how consumer culture itself has significantly reshaped Western economies.

In consumer capitalism it is now widely accepted that the disposal of perfectly functional food, clothes or appliances and replacing them with

newly imported ones is 'good for the economy'. Such a belief is far more significant than a personal preference for a specific kind of coffee or delivery mechanism for water. It is a new and important cultural phenomenon.

Indeed, only a few decades ago neoclassical economists were urging people to reduce their demand for imported goods in order to reduce the Current Account Deficit.

Therefore, the idea that a strong economy depends on the speed at which a country imports things, throws them away, buries, and replaces them, is as new as it is absurd.

And just because an idea makes no sense does not mean that it has no power. On the contrary, the role of myths in a society has always had more to do with the usefulness of a story to powerful groups than with the strength of the evidence on which the story was based.

Take the modern myth that 'the economic system' or 'the economy' will 'collapse' if people stopped wasting money buying things they didn't need. Would it? Let's return to the bottled water example.

Australians consumed over 700 million litres of bottled water in 2015. Like the preference for espresso coffee, the consumption of bottled water is a new habit and, given that bottled water sells for around \$10 per litre and similar products are freely available from taps,

it is safe to assume that culture rather than relative prices has driven this trend.

But imagine if councils and commercial property owners were required to install drinking fountains in all buildings and the sale of bottled water was banned. What would the macroeconomic impact be?

The most plausible answer from orthodox economics would be approximately zero, as any reduction in spending on bottled water would be linked to an immediate increase in spending on other products or a delayed increase in spending on other products.

Banning bottled water would not shrink the economy, it would shape it. The result would be a much smaller bottled water industry and slightly bigger other parts of the economy.

Now imagine that it was an entire product class – rather than a single product – for which demand collapsed in a short period of time. Would 'the economy' collapse if millions of people decided that they had enough clothes in their wardrobes for the moment? Would the economy collapse if millions of people decided to buy any clothes they needed from second hand clothes stores? Or if they paid people to modify or repair existing ones?

While the consequences for the owners of the clothes stores would be devastating, the macroeconomic consequences would only be trivial, no



Richard Denniss' new book *Curing Affluenza: How to buy less stuff and save the world* is available through WWW.BLACKINKBOOKS.COM.AU

'A path-breaking book' ~ Ross Gittins



AUTHOR:

Dr Richard Denniss is Chief Economist of independent think tank, The Australia Institute. Richard contributes columns to The Canberra Times and Australian Financial Review among others. His latest book is *Curing Affluenza: How to buy less stuff and save the world*. Follow him on Twitter @RDNS_TAI

more economically 'problematic' than the shift from street directories to GPS or the shift from steam trains to diesel.

It's not the size that counts...

For those interested in the creation of jobs, the distribution of income or the impact of economic activity on the natural environment, it is the shape of economic activity, not its size that should be of utmost concern.

The rapid creation of a publicly-funded domestic renewable energy manufacturing industry to support the rapid rollout of wind and solar power capacity across Australia would, for example, likely lead to an increase in the size of the economy. Yet, given the impact on the shape of the economy, and the level of greenhouse gas emissions, such economic growth would likely cause little or no concern to many who often oppose the pursuit of economic growth.

Similarly, a significant shift away from consumer spending on imported clothes and new appliances and towards increased consumer spending in cafes and on appliance repair would

have a significant shift on the shape of the economy and, most likely, lead to a significant increase in employment.

Yet this would have little impact on the size of the economy due to the fact that some activities (like selling imported stuff) create far fewer jobs per \$1000 spent than activities such as food preparation and repairs.

Just as the people who make the most money in a gold rush are usually those that sell the shovels, in the consumer's endless search for happiness in the world's shopping centres, it is those people selling the useless stuff that wear the biggest smiles.

But while cultural critiques of consumer capitalism are common, economic analysis of the consequences of shifting economic activity away from consumer culture is far less common.

It is important to imagine better systems, and useful to discuss alternative economic frameworks. Yet for those people interested in actually changing the system rather than simply understanding it, it is essential to debunk the idea that the economic

prospects for low and middle income earners are inextricably linked to the degree of wasteful consumption among the wealthy.

There is nothing inevitable about consumer culture, and in turn, there is nothing inevitable about the link between the measured size of Gross Domestic Product and the extent of harm to the natural environment.

Encouraging people to reject consumer culture and to stop giving enormous amounts of money to the producers of unnecessary things, is not enough to solve all of the problems associated with modern capitalism.

Even so, making the distinction between materialism and consumerism – and driving a culture change that treasures, rather than tosses, their stuff – would deliver significant social and environmental improvements.

And for those of us who want to pursue more radical change, it is hard to see how it could be problematic to encouraging billions of people to have greater faith in more distributed forms of production and to question the cult(ure) of consumption. ^{AQ}

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When the system collapses:

A post-capitalist capitalism?

Paul Mason's popular 2015 book *PostCapitalism* begins with the provocative claim that "for the developed world the best of capitalism is behind us, and for the rest it will be over in our lifetime".¹ Two undeniable crises drove his conviction: the Global Financial Crisis (GFC)² that began in 2008, and the ecological crisis of Global Warming. But are these the only existential challenges facing capitalism, and are they singly or collectively sufficient to take us into a society which is, in a fundamental sense, post-Capitalist?

ARTICLE BY: PROFESSOR STEVE KEEN

This depends on your definition of capitalism, and the term is so ideologically laden that some proponents assert that capitalism has always existed – because there have always been markets – while others argue that it has never existed – because there has always been government.

Leaving aside both extremes of the Loony Right, in the context of this article I will define capitalism as a social,

IMAGE: © aisletwentytwo-Flickr

Bank lending creates money, and the repayment of bank debt, or the failure to do so through bankruptcy, destroys money.



production and monetary system where the profit motive is dominant, whose ideology is pro-market (and broadly anti-government), where most of the means of production are owned by individuals (capitalists) rather than the State, where finance and money creation are also predominantly private, where the power of capitalists and financiers to manage their businesses and personal affairs is only lightly limited by the State (while also strongly enforced by it), and where the non-capitalist majority of the population are dependent on working for capitalists for a living.

Given that definition, I agree with Mason that there will be a post-Capitalist society, because of these two crises and one other: the near-elimination, in the same foreseeable future, of the need to employ all but the most highly skilled labour to produce goods, and almost all services.

Strangled by debt

In *Can we avoid another financial crisis?*²³ I show that (contrary to conventional economic thinking), credit is a significant component of aggregate demand, and that a collapse in credit in the USA, UK and much of Europe caused the GFC.

Mainstream economists were caught completely unawares by this crisis, since their macroeconomic model pretends that credit plays no role in demand.

In their model, borrowing simply transfers spending power from saver to borrower, without significantly altering it in the aggregate.

This model, called “Loanable Funds”, pretends that banks do not originate loans, but instead act as go-betweens between savers and borrowers, and profit on the spread between loan and deposit rates of interest (I parody this as the ‘Ashley Madison model of banking’).

The non-mainstream band of economists to which I belong, have been calling this out as nonsense for almost 40 years, to no avail – until the GFC. But since then, Central Banks have started to proclaim that we are in fact correct, and the conventional model of lending is wrong: banks do originate loans, and these loans cause a precisely equal increase in the money supply. Bank lending creates money, and the repayment of bank debt, or the

failure to do so through bankruptcy, destroys money.^{4,5}

I’ve taken this logic one step further to show that, since people borrow in order to buy both goods and services and

assets, aggregate demand is the sum of the turnover of existing money, *plus the change in bank debt*, which is identical to – and causes – the credit-driven

In macroeconomics, aggregate demand is the total demand for final goods and services in an economy at a given time.
– from Wikipedia

change in the money supply.⁶

From this perspective, understanding private debt and credit is crucial to understanding capitalism, since credit is both a significant and highly volatile component of aggregate demand. Just as using your credit card increases what you can spend over and above your income, at the level of the national economy, credit increases demand over and above what it would be if only existing money could be used for spending.

It is also much more volatile too: your credit card debt can go up much faster than your income is likely to rise. And finally, just as your spending will drop well below your income if you decide you have to pay your credit card down, credit can turn negative at the level of the whole economy, reducing demand suddenly as it did back in 2008 in many countries struck by the GFC. Australia only managed to avoid a crisis because it continued to ‘max out its credit card’, and it now has one of the three highest levels of household debt ever recorded (only Switzerland has more now, and only Denmark has ever had more household debt compared to GDP than Switzerland).

Credit-based demand therefore has the drawback that it can increase the debt burden on the economy as it simultaneously boosts current demand.

Banks thus have enormous power in capitalism, but this power does not require any particular skill: their capacity to create money is simply a by-product



Australia only managed to avoid a crisis because it continued to 'max out its credit card', and it now has one of the three highest levels of household debt ever recorded.

of both double-entry bookkeeping, and being granted a banking licence by the State.

A non-bank financial institution (like a credit union) can't create money, because it is only allowed to lend from a deposit account that it holds with a bank. Its lending thus shuffles deposits from one liability account of a bank (its own deposit account) to another (the borrower's at the credit union), without creating money. Any increase in aggregate demand that such a loan generates is due simply to differences in how fast the borrower spends relative to the lender.

A banking licence, on the other hand, allows a bank to create an Asset on its ledger—the debt of the borrower to the bank, and thus its claim on the

future income of the borrower—and a matching Liability (the deposit account of the borrower) simultaneously. This allows it to create money (which today overwhelmingly takes the form of bank deposits).

Calling this process 'lending' is a misnomer, since lending implies a transfer from one stash of cash to another. But there is no account from which banks transfer 'their' money to the borrower: instead they create the money and the debt simultaneously.

To coin an acronym, bank 'lending' is not lending, but 'Bank Originated Money and Debt' (BOMD).

A banking licence is thus a socially granted privilege, and it should be used both wisely, and in the interests of the body politic that granted it. Of course,

To coin an acronym, bank 'lending' is not lending, but **'Bank Originated Money and Debt' (BOMD).**

The only escape from a debt crisis is to write off the debt. But...politicians have enforced creditors' rights over debtors, leading to a stagnant global economy.



the opposite has happened worldwide.

As Marx put it so evocatively over a century ago:

Talk about centralisation! The credit system, which has its focus in the so-called national banks and the big money-lenders and usurers surrounding them, constitutes enormous centralisation, and gives this class of parasites the fabulous power, not only to periodically despoil industrial capitalists, but also to interfere in actual production in a most dangerous manner—and this gang knows nothing about production and should have nothing to do with it.⁷

Bank money creation has shifted from funding the working capital and investment needs of business and the large-item consumption needs of households, to financing asset speculation pure and simple.

This speculation has in turn driven asset prices up in a positive-feedback loop, leading to vastly over-inflated asset prices, and a level of private debt which is unprecedented in the history of capitalism.

The GFC was caused by a collapse in credit-based demand, at a time when the level of private debt (relative to GDP) was already at these historic

highs. Countries which had a crisis then suffered a serious downturn when credit turned negative.

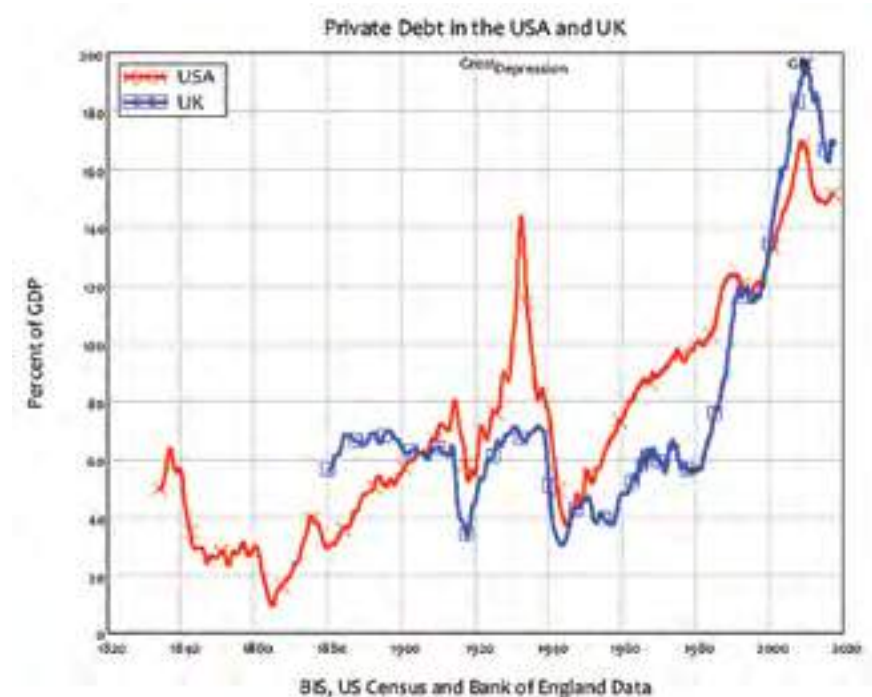
In the USA's case, credit, which had never been negative since 1950, went from plus 15% of GDP in 2008 to minus 6% in 2010. This caused only a slight fall in private debt, from a peak of 170% of GDP in 2009, to 146% in 2014. It has since started to rise again, and is now 150% of GDP.

Countries that also had high levels of debt and credit but avoided a crisis then (like Australia) did so by preventing credit from turning negative. Credit in Australia peaked at 24% of GDP in 2007, but did not turn negative (as it had back in 1992 during Keating's "Recession we had to have"). Continued positive credit drove Australia's private debt to GDP

ratio up from 190% of GDP when the GFC hit to a peak of 206% of GDP in mid-2016.

Credit, though still positive, is now falling in Australia, and in many other countries that continued borrowing their way to apparent prosperity during and after the GFC. They will have recessions when credit turns negative in the next few years, and when this happens, of the order of 50% of the global economy will become what I have termed the "Walking Dead of Debt".

As the US banker-turned-philanthropist Richard Vague has shown by examining the roughly 150 credit crises that have occurred over the last 1.5 centuries, the only escape from a debt crisis is to write off the debt.⁸ But the political power of banks has instead



Labour without energy is a corpse; a machine without energy is a sculpture. The real source of the physical output human society generates is neither labour nor machinery, but energy.

meant that politicians have enforced creditors' rights over debtors, leading to a stagnant global economy.

We therefore face two distinctly non-capitalist prospects: either permanent economic impoverishment by debts that, to quote Michael Hudson 'can't be repaid' and therefore 'won't be repaid. This would sap the economic dynamism that has been capitalism's main bulwark against ideological criticism.

The other option is a 'Modern Debt Jubilee', which could use the State's similar capacity to create money to cancel private debt.

My money, if you'll pardon the pun, is on the former outcome: our politicians will tolerate stagnation rather than challenge the power of the banks. But I expect their hand will be forced by the second existential challenge to capitalism: the ecological damage that industrial society has wrought on the planet.

Choked by Carbon

Ecological Luddites like Trump and Tony Abbott aside, the majority of the population is at least aware that industrial production has drastically increased the level of CO₂ in the atmosphere, and that this is driving an increase in the planet's temperature. If the current trend in over-production of CO₂ continues, then by 2075 – within the

lifetimes of many of those alive today – the level of CO₂ in the atmosphere will have doubled compared to its pre-industrial norm of 280 parts per million.

This trend could be ended by a large-scale switch to non-carbon-burning energy sources, and solar power is rapidly becoming cost-competitive with fossil-fuel power. But the odds of avoiding 500 ppm appear slight, and we are still left with a residue of CO₂ in the atmosphere that will take centuries to reduce by natural processes alone.

While these bare bones are acknowledged by most people, I don't believe that they comprehend the scale of the threat posed by the impact of human production systems on the planet's ecosystem. The actual threats are not

my area of academic expertise, but a more-than-layman's interest in this issue has made me aware that, on current trends, the likely increase in temperature from sustained global warming is perhaps three times the 2-degree increase that limp treaties like the Paris Accords portray as realistic; that we will also seriously deplete the planet's topsoil within 50 years; and that we are effectively mining the planet's capacity to support life, since at present human production and consumption alone uses 1.6 times the biosphere's capacity to regenerate itself (see the Human Ecological Footprint: <https://www.footprintnetwork.org/>).

At some stage, ecological crises that even Trump and Abbott can't deny – or

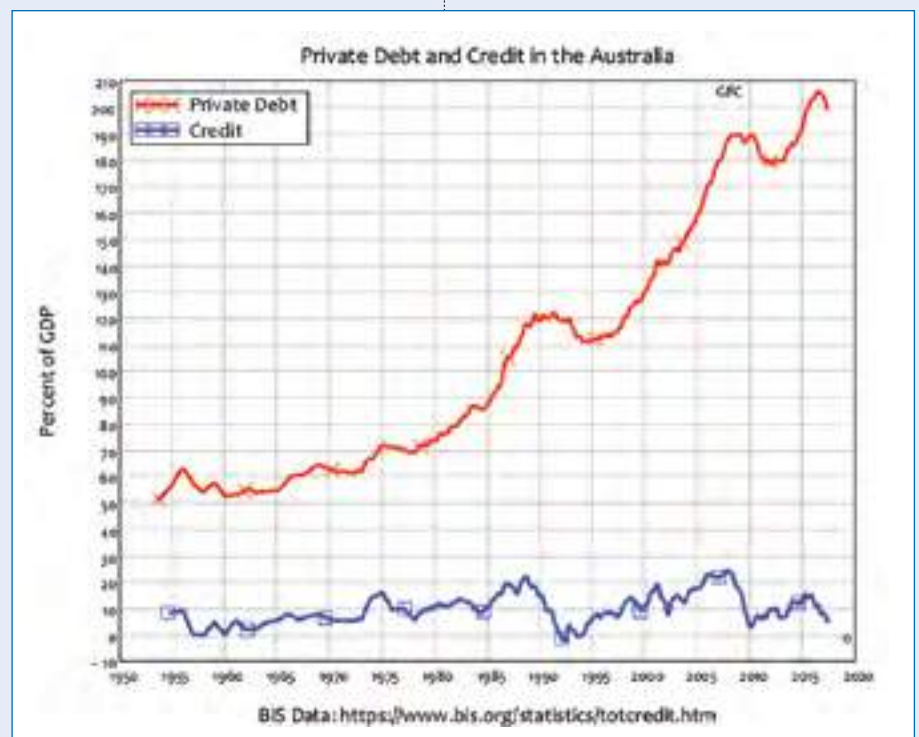
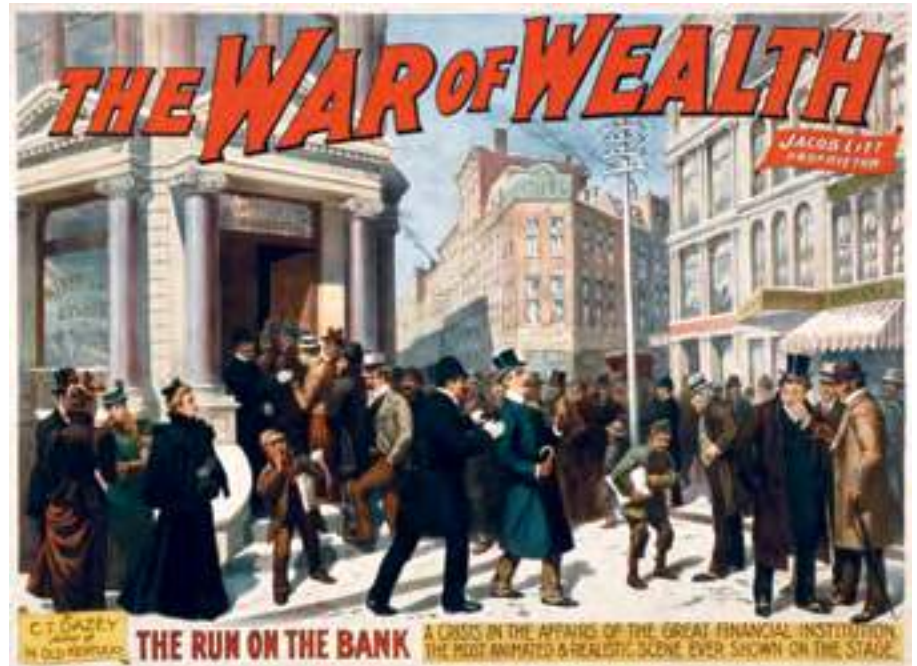


IMAGE: © By Strobridge & Co. Lith



blame on Russia or “Maaarxists” (to reproduce both Tony’s favourite bogey men, and his nasal ‘drawl’)— will force us to realise that we have to respond to global warming as Churchill once responded to the challenge of the Third Reich – by declaring WWII on climate and biosphere destruction.

When that day arrives, so will State-domination of both consumption and production: capitalism will give way to a State-directed economy as it did during WWII, financed by government money creation—as in WWII, when the UK government’s spending exceeded taxation by as much as 40% of GDP in 1940. Rationing will limit consumption, and State-managed attempts to directly reduce CO₂ in the atmosphere and seas will replace market-directed capitalist production.

Though private entrepreneurs may well design and build many of the systems that will extract CO₂ from the atmosphere, there will not be a market-based solution to our over-exploitation of the planet’s biosphere.

If we survive that challenge and live, as a species and a civilisation on

this planet, then our post-Climate-War society will face a third challenge: managing the distribution of the fruits of production in a world where not just the working class, but even the middle class, is no longer necessary for production.

Obsolescence of the working class

One point where I strongly differ from Mason is on the role of labour in capitalism. Mason champions the Labour Theory of Value (LTV) as the analytical means by which to under-

stand the evolution of capitalist society. I long ago argued that Marx’s dialectical

philosophy in fact contradicted the primary claim of this theory, that all surplus arises from labour.^{9,10} But in the context of this essay, the main fallacy of the LTV (and Neoclassical theory as well) is that it pretends that output can be produced by labour and capital alone.

Put simply, this premise contradicts Laws of the Universe that cannot be disobeyed: the Laws of Thermodynamics.¹¹ Nothing can be produced without energy, and the very idea of labour and machinery without energy does not make sense: labour without energy is a corpse; a machine without energy is a sculpture. The real source of the physical output human society generates is neither labour nor machinery, but energy.

Labour and machinery are of course critical to exploiting this energy, but rather than being the source of value, they are the means by which we harness the energy we already



IMAGE: © Mike Licht-Flickr

**A-HA! THE NATURE OF WORK
AND LABOUR ARE KEY!**

If you agree, see Healy and Co's article on **p28**



Material prosperity over
the last quarter millennium
has therefore been, not
exploitation of labour,
but **the exploitation of**
what Buckminster Fuller
termed 'energy slaves'.

find in the universe (the First Law of Thermodynamics) to convert part of it into useful work. Part is also converted into waste energy (and waste matter), and in the aggregate the increase in disorder (pollution and energy degradation) must exceed the reduction in disorder that turns raw materials into finished goods (the Second Law of Thermodynamics).

As a polymath, Marx was aware of the early work on Thermodynamics, and acknowledged this in *Capital*:

*"Creation of value is transformation of labour-power into labour. Labour-power itself is energy transferred to a human organism by means of nourishing matter."*¹²

[Emphasis added]

But he never considered the implication that machines also harness energy and convert this into useful work, thus contradicting a key component of the Labour Theory of Value, that machines only add to output what they lose in depreciation.

Labour of course played a huge and direct role in the conversion of energy into useful work in early human societies, and harnessing that energy initially involved exploiting our fellow humans (and domesticated animals) very directly in slavery. Then, the caloric work capacity of labour was the dominant factor in determining the

capacity to produce output.

But as our technology (itself the product of human ingenuity) improved, the comparatively puny energy-processing power of humans (the average unskilled worker's useful energy output is slightly less than that of a 100 Watt incandescent light bulb) gave way to the exponentially increasing energy processing capacity of our machinery.

Labour's role became controlling the machines, rather than directly converting its own surplus calories into useful work. The source of the increase in material prosperity over the last quarter millennium has therefore been, not exploitation of labour, but the exploitation of what Buckminster Fuller termed 'energy slaves'.

Now our production technology – which the inventiveness of human brains creates, but which only results in production once that inventiveness is embodied in machines – is developing machines with the capacity to manage themselves.

The days of unskilled labour as necessary to production are severely numbered, and even relatively high level (though not truly innovative) skilled labour can and will be replaced by algorithms (even if we never do produce true AI). The vast majority of the population will therefore not be needed to produce output, and labour's capacity to bargain for a share in output via the need for unskilled




The great advantage of capitalism over all previous large scale social systems, is that it encourages innovation, far more effectively than did slave, feudal and socialist economies.



owned equally by individuals and the State, and finance and money creation will be both private and public. The power of capitalists and financiers to manage their businesses and personal affairs will be strongly limited by the State to prevent future ecological damage, and the non-capitalist majority of the population receive their income from the State via a Universal Basic Income.

Such a society will clearly be post-capitalist, but it will still be capitalist at the same time. The great advantage of capitalism over all previous large scale social systems, is that it encourages innovation, far more effectively

than did slave, feudal and socialist economies.^{14,15,16}

We need the inherent dynamism that the profit motive gives capitalism but the days of unconstrained market ideology that allows capitalists to privatise their profits and socialise their losses will be over. 

This post-capitalist world will be a social, production and monetary system where the profit motive is subservient to an ecological imperative.

and semi-skilled workers to control the machines will disappear.

There are two scenarios for such a world: a dysfunctional *Hunger Games* world in which a wealthy minority enjoy vast wealth while the rest live in poverty if they live at all, or a hopefully less dysfunctional world where income for the vast majority is not dependent on their contribution to output. A Universal Basic Income, rather than a wage, would need to become the primary source of income for non-capitalists.

A Post-Capitalist Capitalism

If we survive these three existential threats, then this post-capitalist world will be a social, production

and monetary system where the profit motive is subservient to an ecological imperative to restore the biosphere after the enormous damage we have done to it. The ideology will be Gaia first¹³ and market second, and broadly pro-government because of its role in harnessing our resources to restore the biosphere. The means of production and environmental regulation will be



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IMAGE: © Eva k-Flickr



Economic diversity in the energy sector:

Post-capitalism in the here and now?

We are at a crossroads. The tremendous structural changes needed to tackle climate change have presented us with a unique yet clear choice: strengthen the economic and political status quo, or invest in solutions that will not only transform our energy system, but our economic and political systems as well. Nowhere is this choice more evident as it is in the debates around the future of Australia's energy system.

ARTICLE BY: **DR AMANDA CAHILL**

Rapid developments in renewable energy technology have made the task of transitioning Australia's energy system away from fossil fuels not only possible, but economically feasible. Yet compared to other OECD countries, Australia has been slow to embrace the transition, which is particularly striking given its vast renewable energy potential.

While Germany produced 36% of its nation's electricity needs from renewable energy in 2017¹ and Sweden achieved its 2020 renewable energy goal of 49% back in 2012,² Australia continues to debate its national renewable energy targets, fuelling ongoing policy uncertainty.

In this challenging and constantly shifting policy environment, three distinct economic models have emerged to transition Australia's electricity system

Sweden achieved its 2020 renewable energy goal of 49% back in 2012, Australia continues to debate its national renewable energy targets.

to one powered by renewable energy, each posing radically different economic and political possibilities. The first is for privately owned corporations to continue to leverage private investment and public subsidies to fund the switch to renewable energy, effectively strengthening the capitalist status quo.

At the other end of the economic spectrum are a growing number of small-to-medium sized community-owned renewable energy (CORE) projects that exemplify a post-capitalist alternative. The other alternative to capitalist models of production is the publicly-owned model of electricity generation that was responsible for establishing most of the energy infrastructure across the country until privatisation in the 1990s.³

Each of these models can – and are already – transitioning Australia's electricity system to one powered by renewable energy. The focus of this article is not the technical aspects of this transition, but the potential of each model to foster more equitable economic systems, drawing on three examples: AGL, Hepburn Wind, and the Queensland Government's proposed Clean Co.

Capitalism and the Status Quo

Since the 1990s, private companies have generated most of Australia's electricity. Despite the huge costs involved in transforming the entire energy system, there is significant support among private energy companies for policies designed to accelerate the transition. This interest is not solely motivated by concerns about climate change.

Australia's current fleet of coal fired electricity plants are ageing, with more than half of Australia's coal-fired electricity plants having operated for more than 30 years.⁴ With the cost of building new renewable energy projects now falling below the cost of building new coal fired plants,⁵ the economics are clear.

As the largest owner, generator and developer of renewable energy in Australia, AGL is one of the biggest proponents of investment in clean energy. The company has adopted a goal to retire all of its coal-fired power plants by 2050 and is already taking great strides towards this goal, launching the Powering Australian Renewables Fund

(PARF) in 2016 to support the development of over 1 GW of large-scale renewable energy projects.

Senior AGL officials have been transparent about the fact that their motivations do not stem from environmental concerns alone, and that they consider moving investments away from coal and towards renewable energy good business sense.

THE ECONOMICS ARE CLEAR?

Take a deep dive on the capitalism of credit with Steve Keen on **p14**

As AGL's CEO Andrew Vesey stated recently: "We just don't see new development of coal as economically rational even before factoring in a real carbon cost."⁶ During one discussion I attended, a senior manager from AGL took this sentiment one step further, suggesting that as an early investor in the inevitable shift to renewable energy, combined with their existing infrastructure, AGL could be positioned to capture up to 80% of Australia's electricity market.

AGL's public commitment to renewable energy is crucial in catalysing the changes needed for a rapidly changing climate. As a large corporation, their ability to leverage vast financial and technological resources could significantly accelerate emissions



With the cost of building new renewable energy projects now falling below the cost of building new coal fired plants, the economics are clear.

IMAGE: © BlackRockSolar-Flickr



IMAGE: © Eduardo M. C./Flickr

Community-Owned Renewable Energy (CORE)

While each project is different, they are generally motivated by similar goals and values such as:

- Local ownership and democratising control of energy
- Profits to stay local so they can be re-invested in the community
- Local economic development and jobs
- Self-sufficiency, resilience and sustainability
- A desire to act on climate change

reductions. This is good news for the climate.

From a social, economic and political perspective though, questions need to be asked about the desirability of a private company strengthening their hold over the energy market, particularly when they already control 30-40% of electricity production in some states.⁷

The potential expansion of capitalist control during the current period of transition could leave Australia increasingly vulnerable to the kinds of problems that have emerged around the world where neoliberal doctrines have presided relatively unchallenged.

Where fewer and fewer private interests have been allowed to increasingly monopolise essential goods and services (e.g. energy, water, land and even food), issues such as higher costs and less reliable supply to remote, and socio-economically marginalised groups have arisen, accompanied by growing rates of inequality. Some argue that we are already seeing these impacts in Australia given the high prices of electricity and an increasing number of blackouts.⁸

Regulations, subsidies and other policy mechanisms already exist to ensure that energy is accessible and affordable to all, so in this sense, private companies in Australia do not operate in a purely capitalist market. Even so, it seems prudent to ask – how effective will these tools continue to be as we

There are currently more than 90 small-to-medium sized CORE projects around Australia.



navigate this messy transition, given the ever shrinking reach of government and the increasingly blurred lines between private and public control?

And given the potential of renewable energy technology to decentralise and democratise production and wealth distribution, why would we want to further consolidate the wealth and power of private corporations? What if we could harness the decentralised nature of the technology to foster more post-capitalist models of production, like those exemplified by Community-Owned Renewable Energy projects?

CORE: A Post-Capitalist Alternative

At the other end of the economic spectrum, Community-Owned Renewable Energy (CORE) projects represent a post-capitalist alternative. CORE refers to “projects where a community group initiates, develops, operates and benefits from a renewable energy resource or energy efficiency initiative. Community groups are formed based on a common interest or geographical region such as a town or suburb.”⁹

There are currently more than 90 small-to-medium sized CORE projects around Australia,¹⁰ with the Hepburn Wind Farm one of the most well known examples. Hepburn Wind was established as a locally-owned cooperative

with over 2,000 member-investors.

The first community-owned renewable wind farm in Australia, the primary motivation for the project was a frustration with government for not doing enough to combat climate change and a desire to take action to reduce emissions in a meaningful way.

Initial investment was generated through a mix of sources: cooperative members contributed \$9.8 million, with state government grants and a loan from the Bendigo Bank contributing an additional \$4.8 million.¹¹ From this initial investment, the cooperative built two turbines that generate a total of 4.1MW capacity, equivalent to the electricity needs of around 2300 Victorian homes.¹²

With most of the cooperative members local to the area, Hepburn Wind is designed to encourage widespread community ownership and engagement and to ensure that the project generates economic benefits for the region as a whole. It does this by returning profits to members as dividends, but also by generating local employment opportunities and investing in local projects through a community fund. The cooperative has also invested significant resources into developing local capacity, leadership and decision making processes, in line with their goal to improve democratic participation.¹³

CORE projects like Hepburn Wind

can effectively produce electricity in affordable and reliable ways, but they produce it in ways that redistribute wealth and power.¹⁴ In this way, they exemplify a post-capitalist alternative that conceptualises energy not as a commodity to be traded, but as a fundamental right or essential service.

By offering a different economic and governance model, CORE asks who should be making fundamental decisions about this essential service and how profits should be used – to maximise the wealth of private (often foreign) shareholders, or channelled to support local communities to achieve self-sufficiency and economic sovereignty?

They exemplify a post-capitalist alternative that conceptualises energy not as a commodity to be traded, but as a fundamental right.

There are limitations to this model, in that it places significant demands on the local community and users in terms of resources, time, leadership, skills and community goodwill to develop and maintain the system. Not all communities have access to the required resources and it raises

Public resources are currently spent on subsidising the private sector when that money could be invested directly to produce revenues for the state.



an interesting ethical question as to whether communities should have to take on the responsibility for such an important service, or whether this should instead fall fully under the purview of government.

Public Control: The LEAN Alternative

A second alternative to a capitalist model of electricity production is public ownership through government-owned corporations. Publicly owned electricity companies are the second largest electricity generators in Australia, and the main producers in the states of Queensland and Tasmania.

While public companies now operate in ways that seem almost identical to private corporations, some advocates for renewable energy have been calling for an expansion of public control over electricity generation in the belief that government-owned entities would be able to ensure a smoother transition

through direct control. One such advocate is the Labor Environment Action Network (LEAN) – a cross-factional branch of the Labor Party.

In the lead up to the 2017 Queensland State Election, LEAN campaigned for the establishment of a new state-owned company that would build 1 GW of large-scale renewable energy infrastructure by 2025 to:

...ensure the management of the energy industry delivers the supply of energy in the public interest, and to maximise the benefits of public ownership, driven by the goal of providing affordable, reliable electricity to Queenslanders while reducing pollution.¹⁵

In contrast to the way private corporations conceptualise electricity as a commodity, LEAN considers energy a public good or essential service, and sees government ownership as in the

public interest, stating: “The market does not best serve the public interests when it comes to things we all need. Profit should not be the only driver in the delivery of key services.”¹⁶

In this way, LEAN directly challenges the dominance of capitalism and the idea that the role of government should be limited to that of regulator, asking why public resources are currently spent on subsidising the private sector when that money could be invested directly to produce revenues for the state.

They instead propose that state-controlled energy production is the most direct way to ensure that the benefits of the current transition reach everyone, by using profits to provide more affordable energy; ensure access to low-income households and rural and remote communities; cross-subsidise other public goods and services; and deliver local, long-term job creation and training opportunities.

While LEAN has been successful in



IMAGE: © Feral78/Flickr



their campaign to win a commitment from the Queensland Labor Government to create a 'Clean Co',¹⁷ time will tell whether it can disrupt the status quo and move past the politics that have plagued reform in the energy sector so far.

Queensland already has two government-owned generators, but ongoing ties to coal and gas extraction – whether through State revenues or electricity generation – will probably mean that action to catalyse large-scale shifts to renewable energy will continue to depend on which way the political winds blow.

Implications for a Post-Capitalist Future

These three case studies not only represent different ways to generate and distribute electricity, but three contrasting economic models that engender distinct economic and political possibilities.

The privatised model represented by AGL points to a strengthening of the capitalist status quo in that, as a corporate entity, it is designed to trade a commodity competitively to maximise profits, expand its market share and minimise the impacts of regulation.

In contrast, CORE exemplifies a post-capitalist model of production, holding the potential to democratise

the electricity system by decentralising ownership, redistributing profits and ensuring financial and other benefits flow to the local community. In this way, CORE challenges the capitalist status quo and holds the potential to undermine the ability of large private or public corporations to monopolise access to an essential service.


The LEAN model differs again, in that it advocates that control rest with the State, which captures and reinvests profits into services for the public good, relying on the ballot box as a means for ensuring energy democracy.

All three examples can transition Australia to 100% renewable energy production. All three share financial and other benefits with the broader community. But as we navigate this time of transition, there are still many questions yet to explore: What do these different systems mean for how power and wealth are concentrated or distributed? Who do we want controlling a resource on which

individual wellbeing depends, as well as society's ability to function? And is access to electricity a human right, a public good or a commodity to be traded?

These are big questions that not only hold serious ramifications for our ability to mitigate the impacts of climate change, but for democracy itself. Underpinning them is the fundamental issue of whether we want to further consolidate the very same capitalist relations of production that have driven climate change and that continue to exacerbate growing levels of socio-economic inequality.

Post-capitalist alternatives that redistribute wealth and power already exist. But not all alternatives are equal. Whether or not they will deliver on their potential to challenge the capitalist status quo to create a more equitable and resilient future is not a question of technology, but of politics.

Where do we go from here? Well, that's up to us. 



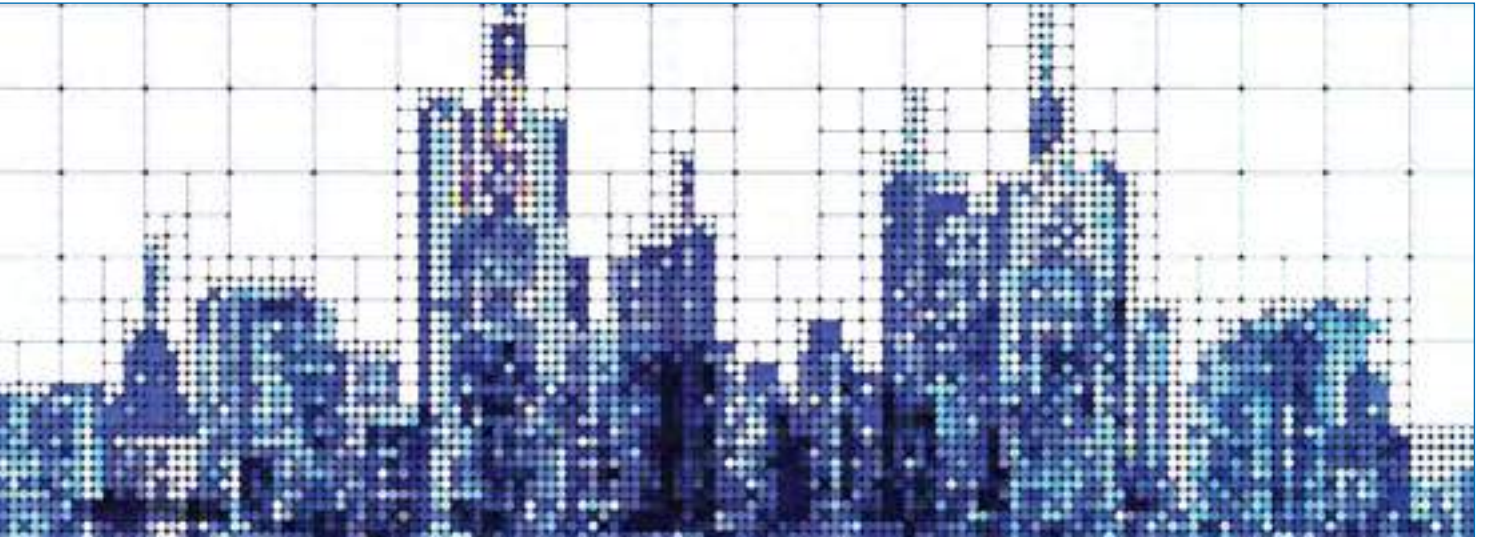
AUTHOR:

Dr Amanda Cahill is the director of The Centre for Social Change, board member of the New Economy Network of Australia and founder of the recently established The Next Economy. Originally trained in Anthropology, Amanda has a PhD in Human Geography from the Australian National University and an adjunct position at the University of Queensland.

Is access to electricity a human right, a public good or a commodity to be traded?



Pre-empting Apocalypse?



Postcapitalism as an everyday politics

In the decade that has followed the Global Financial Crisis, the term ‘postcapitalism’ is enjoying wide circulation in popular culture and political discourse, as well as academic settings. There is a growing recognition that business as usual cannot continue *and* an increasing interest in the idea that there are better ways of organising economies, politics and society.

ARTICLE BY: **DR STEPHEN HEALY, DR JOANNE MCNEILL,
PROFESSOR JENNY CAMERON, PROFESSOR KATHERINE GIBSON**

The term ‘postcapitalism’ signals the possibility that capitalism, both as an economic and geopolitical organisational form, might soon end. Or perhaps even that it has already ended and we are just now becoming cognisant of its demise.

What is significant is that attachments to postcapitalism are occurring across the political spectrum. On the left, the seeds of possibility were sewn in the

Militant nationalism is on the rise, a 'me first' mentality that may or may not imperil the capitalist class, but will certainly make it harder to respond to the 21st century's many challenges.

early part of this century at the World Social Forum, as documented by Gerda Roelvink in *Building Dignified Worlds*. Here social and solidarity economy movements showcased experiments with non-capitalist forms of economic organisation of all sorts and at all scales.

At the other end of politics, the 'right wing electoral mutiny' from Brexit to Trump represents a rebuke to forms of capitalist globalisation that do not serve the interests of ordinary people. A kind of militant nationalism is on the rise, a 'me first' mentality that may or may not imperil the capitalist class, but will certainly make it harder to respond to the 21st century's many social and ecological challenges.

As founder of Democracy at Work, Rick Wolff observes, this is the most exciting moment in two generations for those of us interested in a world beyond capitalism. However, given the volatile and reactionary political climate in many countries it is also an incredibly dangerous time. What this means is we need to take care in how we both understand and pursue the development of a postcapitalist politics.

The fear is that increasing inequality is slowing economic growth and unravelling the very basis of capitalism.

If the GFC set the stage for this wider circulation of a postcapitalist imagination, and the hope for something better that sustains it, in our view it is the ecological consequences of what Will Steffen and colleagues name "the

great acceleration" that compels us.

Three generations of business as usual following WWII have caused life-imperilling damage to the biotic and abiotic systems critical to Earth's ecology. A new politics cannot ignore this challenge to survival.

Our feminist poststructuralist

take on postcapitalism is wary of the apocalyptic tones of more recent conversations converging around the idea of postcapitalism. We juxtapose our everyday politics of postcapitalist praxis with the deferred action space of two recent visions of postcapitalism.

Postcapitalism 1: The Bloated Corpse

Perhaps the most familiar vision of postcapitalism is a macro-economic analysis that sees the kind of global capitalism we associate with neoliberalism,

coming to an end as a consequence of internal contradiction. The most apparent symptom of capitalism's failure is the increase in inequality. This concern is not only prevalent in a series of recent publications (including Thomas Piketty's *Capital in the Twenty-First Century* and Joseph Stiglitz's *Globalization and Its Discontents Revisited*) but also features on the agenda of international institutions such as the International Monetary Fund. The fear is that increasing inequality is slowing economic growth and unravelling the very basis of capitalism.

Wolfgang Streeck in his recent series of essays entitled *How will Capitalism End?* takes a decidedly dark view of the global economic situation. In his analyses we have already reached the limits to economic growth as the global economy is over-supplied by more than eighty industrialised countries, as well as very productive primary and tertiary sectors. Sluggish global growth, even in the context of economic recovery, means that we have little chance of integrating the bottom billions into the formal economy.

Streeck argues that attempts in the US and many other countries to manage this contradiction will exacerbate inequality. For example, Mr Trump's strategy of lowering corporate tax rates to attract or retain industry means the US will have fewer resources to pay for social entitlements. Citizens will have to 'choose' between

All of humanity should benefit from the fruits of an automated utopia rather than just a few.



permanent austerity, rising levels of public debt, or some combination of the two.

Like a contagion, this approach will likely spread. In Australia, Prime Minister Turnbull's government has already signalled that it intends to follow suit. The irony, from Streeck's perspective, is that public resources will dry up precisely in a context of growing

demand. Most high income and many middle-income countries are already experiencing an increasing demand for services as rapidly ageing populations exit the labour force.

Finally, for Streeck new forms of automation will likely further reduce labour market participation as whole categories of employment are eliminated in the coming decade. In

Streeck's assessment, capitalism is not moribund, but dead. Its bloated corpse is like a giant dead whale that we are unable to shift out of the way in order to get to a different future.

Postcapitalism 2: A Fully Automated Luxury World

The technology that features in Streeck's grim assessment is at the heart of the second vision of postcapitalism. In *PostCapitalism: A Guide to Our Future*, Paul Mason sees the emergence of new forms of automation and new algorithm-fed forms of artificial intelligence not as a threat but as an opportunity that sets the stage for a fully automated luxury world. In *Inventing the Future: Postcapitalism and a World Without Work*, Nick Srnicek and Alex Williams follow a similar line of reasoning and insist that the political task before us is one of figuring out how to accelerate the process of change being ushered in by this latest round of automation.

Like Mason, Srnicek and Williams see this as a prime political opportunity to revitalise a politics around universal basic income, the idea of a rightful share paid to each citizen as work in the formal sector disappears. This vision is compelled by the real-politik of the need to keep up present levels of consumption, and morally justified by the idea that all of humanity should benefit from the fruits of an automated

IMAGE: © Guido van Nispen-Flickr

utopia rather than just a few.

Lest we think this is a work of speculative fiction, consider that James Ferguson's *Give a Man a Fish* charts the rise of various forms of basic income in so called 'developing' countries – where distributions of the common wealth are seen both as more efficient than the development of northern-hemisphere style welfare-states and as a political necessity in countries where there never has been *and never will be* anything close to full employment in the formal sector. Various developing countries from Brazil, to India, Lesotho, Namibia and South Africa have all trialled (and are rolling out) versions of basic income grants, as well as parts of the so-called developed world including Finland and Quebec Province in Canada.

Australia, like other developed countries, is spooked by predictions of an enormous shrinking in the size of the labour market in the coming decades. The now famous study, *Australia's Future Workforce*, by the Committee for Economic Development of Australia, predicts that in 10 to 20 years up to 40% of Australia's current workforce could be replaced by automation.

In this vision, automation already occurring in areas such as agriculture, manufacturing and mining will spread into other sectors. Even white collar and professional jobs may not escape the chop as algorithm-fed bots 'learn' to

write contracts, diagnose illness and treat conditions for consumers.

Two Apocalyptic Postcapitalisms

What these two post-capitalisms share is that they are located in a 'not quite yet' temporality. The changes they describe are just around the corner. This temporality is part of what gives them their affective-political charge. They lure us into a realm of possibility and radical change with the promise that if we can adequately anticipate their arrival and if we are prepared politically we might get the outcome we want – a basic income and a sky box view of luxury when it arrives.

This sense of expectancy cuts both ways. It's entirely possible that the economy as we know it will continue to grow, the Dow will reach the vaunted 30,000 and enough of us will profit from this to keep things as they are. Or things could go much darker than anticipated – instead of a fully automated luxury world, all of us will be fitted with subcutaneous pagers that will buzz when there's an opportunity on Airtasker or TaskRabbit to fetch a latte for a young-tech overlord.

Where does this leave us? In our view, a familiar place where we are, once again, "waiting for the revolution" as J.K. Gibson Graham put it more than twenty



IS IT THE SIZE OR SHAPE [OF THE ECONOMY] THAT MATTERS?

Debate established economic theory with Richard Denniss' on **p10**

Or things could go much darker than anticipated – instead of a fully automated luxury world, all of us will be fitted with subcutaneous pagers that will buzz when there's an opportunity on Airtasker.

years ago – alternately hopeful, fearful, desperate, but most of all stuck in the same old place.

Postcapitalism 3: An Everyday Politics

A third vision of postcapitalism has been put forward by J.K. Gibson-Graham, beginning with the publication of *The End of Capitalism (As We Knew It)*, followed a decade later by *A*



It is possible

For us, the “end of capitalism” means the end of capitalism as a synonym for economy, an end to the idea that economies are organised around singular imperatives – such as the drive to accumulate.

In the early 1990s, carpet tile manufacturer, Interface (<http://www.interface.com/>) committed to “Mission Zero” and began the process of re-engineering their enterprise to use zero virgin petrochemical inputs through the reconditioning or recycle and reuse of carpet tiles.

As outlined in Paul Hawkins latest book, *Drawdown*, Interface has now taken the next step, with a new mission Climate Take Back and has begun to devise ways of taking carbon out of damaged ecologies – for example by using nylon ghost nets as a input into carpet manufacture and repurposing this deadly refuse. Interface may be a global capitalist corporation but in our view its ethos is a recognisable feature of a postcapitalist world.

Manufacturers of products ranging from mattresses to dairy products, carpets to chassis, are putting an ethic of care for others (both people and environment) at the centre of their operations.

Postcapitalist Politics and more recently *Take Back the Economy: An Ethical Guide for Transforming Our Communities* with Jenny Cameron and Stephen Healy. Fundamental to this understanding of postcapitalism are two interrelated propositions.

First, drawing on insights from particular strands of feminist and Marxian political economy, economic geography, sociology and anthropology, the economy is understood as a site of substantive difference. Every economy is a mix of paid and unpaid labour, market and non-market exchange, and capitalist and non-capitalist forms of economic organisation.

What follows from this world of economic difference is a second proposition: that capitalism’s continued dominance is partially a function of how we think about the economy. What Gibson-Graham calls “capitalocentrism” is a process whereby currently existing economic difference is marginalised, rendered unintelligible by a perspective that insists on equating capitalism with economy.

What this enables is a different approach to thinking about what a postcapitalist politics might be – encapsulated in the concept of ‘community economy’. Community does not refer here to a particular scale of interaction or shared interests. It simply signals the recognition and foregrounding of our shared existence as a precondition for

constructing an economy in which our own needs are balanced against the needs of others, including the needs of life-giving planetary ecologies.

If we no longer understand capitalism as a systematic-totality, then capitalist enterprises become one part of a diverse economic landscape, even potentially of community economies. Our current research project in Australia has driven this point home. The project uses an inductive approach to examine a dozen different Australian manufacturing enterprises that are demonstrating not just that there is a future for manufacturing in this country but that manufacturing can play a pivotal role in helping Australia respond to pressing social and ecological challenges.

The manufacturers were deliberately chosen to reflect differences within the sector in terms of their longevity, size, and organisational form – included in the sample are cooperatives and social enterprises, as well as ‘conventional’ capitalist firms that embrace a social or ecological ethic.

Our findings to date show that manufacturers of products ranging from mattresses to dairy products, carpets to chassis, are putting an ethic of care for others (both people and environment) at the centre of their operations. To some extent this is unsurprising for manufacturers that are social enterprises and cooperatives. However, in our sample there are examples of

capitalist manufacturers who share this ethic of care and are innovating with their employment practices and use of technology to address inequality and environmental disrepair.

In a diverse economy, no single enterprise type has a monopoly on care. The wellbeing of people and the planet is a matter of concern to which the diverse manufacturers are turning their renowned ability for problem-solving.

The innovations that result are not just limited to the single firm; what we find is that manufacturers are cooperating across enterprise types to develop strategies along the supply chain that multiply their impact and make it more difficult for other firms to operate in unjust and unsustainable ways.


The examples from our research are not limited to small-scale and local instances. The manufacturers are national and international in scale, and in some cases they are shifting how entire product lines are being produced, and in so doing are shifting presumed business 'common sense'. In this way, postcapitalist manufacturing is becoming embedded in everyday practices and politics.

As much as anything, this postcapitalist present that is being practiced on shop-floors, testing chambers and meeting rooms, needs to be supported by a shift in thinking that divorces a vision of economy from that of a capitalist economy. While we don't discount

the importance of shifts in the macro-economy or technological change, for us the term postcapitalism signals a political opportunity to *do* economy differently, to create relationships, practices and institutions that prioritise care for both people and planet.

The *end of capitalism* is, in the first instance, the end of totalising understandings that conflate capitalism with economy as such. In other words, the end of unduly according to capitalism a coherence, purpose or trajectory. In turn this end is the beginning of a politics of ethical deliberation in which economies

might be experimentally crafted and enacted at a variety of scales – perhaps especially those arrangements that might enable us to attend to wounded societies and damaged ecologies.

In our view, a postcapitalist politics does not require a pivotal event, an apocalyptic change or revolution – nor should we wait for one. Instead, what it does require is a willingness to engage in embodied and material experiments, a communication of efforts, and a willingness to learn from mistakes and to share our results in enacting post-capitalist worlds. 

AUTHORS



Stephen Healy is a Senior Research Fellow at the Institute for Culture & Society. His research has concentrated on the relationship between economy, subjectivity and economic transformation in the context of health care reform policy, cooperative and regional development, and social movements.



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Jenny Cameron is an Associate Professor in the Geography and Environmental Studies at the University of Newcastle, Australia. She is also a member of the Board of Directors of Beanstalk Organic Food Co-operative based in Newcastle.



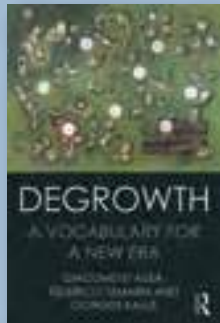
Professor Katherine Gibson is internationally known for her research on rethinking economies as sites of ethical action. She trained as a human geographer with expertise in political economy and, with her collaborator for over 30 years, the late Professor Julie Graham, developed a distinctive approach to economic geography drawing on feminism, post-structuralism and action research.

The end of capitalism is...the end of totalising understandings that conflate capitalism with economy.

AQ Book Review

Degrowth: A Vocabulary for a New Era

EDITED BY: GIACOMO D'ALISA, FEDERICO DEMARIA AND GIORGOS KALLIS | TEXT: EDITION BLURB



Degrowth is a rejection of the illusion of growth and a call to repoliticise the public debate colonised by the idiom of economism. It is a project advocating the democratically-led shrinking of production and consumption with the aim of achieving social justice and ecological sustainability.

This overview of degrowth offers a comprehensive coverage of the main topics and major challenges of degrowth in a succinct, simple and accessible manner. In addition, it offers a set of keywords useful for

intervening in current political debates and for bringing about concrete degrowth-inspired proposals at different levels – local, national and global.

The result is the most comprehensive coverage of the topic of degrowth in English and serves as the definitive international reference.

[HTTPS://VOCABULARY.DEGROWTH.ORG/](https://vocabulary.degrowth.org/)

Democratic Eco-Socialism as a Real Utopia: Transitioning to an Alternative World System

HANS BAER | TEXT: EDITION BLURB



As global economic and population growth continues to skyrocket, increasingly strained resources have made one thing clear: the desperate need for an alternative to capitalism. In *Democratic Eco-Socialism as a Real Utopia*, Hans Baer outlines the urgent need to re-evaluate historical definitions of socialism, commit to social equality and justice, and prioritise environmental sustainability.

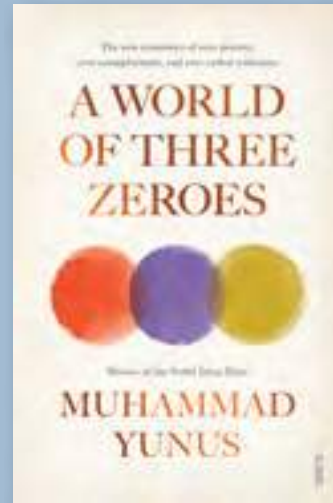
Democratic eco-socialism, as he terms it, is a system capable of mobilising people around

the world, albeit in different ways, to prevent on-going human socio-economic and environmental degradation, and anthropogenic climate change.

[HTTP://WWW.BERGHAHNBOOKS.COM/](http://www.berghahnbooks.com/)

A World of Three Zeroes

MUHAMMAD YUNUS | REVIEW BY: THE EDITOR



Zero Poverty, Zero Unemployment, Zero Carbon Emissions – For Nobel Peace Prize winner, Muhammad Yunus, the problems facing the world are intertwined. To his mind, the current mode of capitalism is broken, with the profit motive shutting down all discussion of alternative methods of doing business.

For decades Prof Yunus has been quietly challenging accepted economic principles and offering hope to millions of people shunned by mainstream

economic paradigms. *A World of Three Zeroes* brings together these experiences with numerous real-world examples that he has seen grow out of the initiatives of his Grameen organisations.

The book clearly and accessibly draws together the threads of many modern crises to create a premise that change is as simple as a shift in how we think about the businesses that we build. Social Business – for-profit organisations with positive social outcomes baked into their business model – are the key to tackling global challenges. From the local, global change becomes possible.

This is a book about revolution, but very much a Yunus-style revolution, one of individual empowerment and community spirit, of simple changes with huge implications.

Underpinning the book is a constant sense of optimism, a tone at odds with modern conversations on economic reform. And it is easy to mistake this optimism for naïve simplicity – except that the book constantly asks the silent question: 'Why not?' – Why do we teach our kids that their role in life is as a job slave, not a job creator? – Why don't governments create opportunities for social enterprises rather than for-profit companies? And why is it so hard to imagine business with social, rather than financial, dividends?

His vision is utopic but his optimism is infectious.

A WORLD OF THREE ZEROES IS AVAILABLE THROUGH
[HTTPS://SCRIBEPUBLICATIONS.COM.AU](https://scribepublications.com.au)

From well-being to well-living:

Towards a post-capitalist understanding of quality of life



Australians are told that they live in one of the top 10 richest countries in the world in terms of GDP per capita, and that they enjoy a level of 'well-being' or 'quality-of-life' higher than many other advanced societies. Australia is ranked third after Norway and Denmark on the OECD Better Life Index, a new index developed to measure nations' wellbeing more inclusively than the older methods that focused on wealth or income. This index includes non-monetary aspects of social life such as employment, environment and education.

ARTICLE BY: **DR S. A. HAMED HOSSEINI**

Although such shifts in our understanding of wellbeing must be welcomed, the concept of wellbeing hasn't been liberated from its underlying hegemonic political agendas, and has become even more complicated by an increasing public, state and corporate interest.



For many people, happiness is increasingly evaluated by digital tools that constantly monitor a wide range of variables – daily step targets, calorie intake, stress level, spending habits, etc. – providing an incredible source of income to the towering ‘happiness industry’.¹ Tracking our personal health and ‘life goals’ has become a normalised and – sometimes obsessive – phenomenon. A popular intellectual project, with a strong technocratic tone, seems now to be at work to constantly assess, compare and promote people’s happiness.

Yet the question of how to realise a good life as a ‘state of being’ and/or to evaluate what a good life ‘achieves’ (either subjectively or objectively) is an ancient one. So are the disagreements – especially for elite thinkers in both the Western and Eastern antiquities. These elites were divided by a profound ambiguity known as the dualism of *hedonic* vs. *eudemonic* traditions.

The changing face of happiness

Hedonists defined happiness as obtaining pleasure and avoiding pain. A modern version of this approach argues that ‘being financially well-off’ (as an individual or a nation) would inevitably

The question of how to realise a good life and/or to evaluate what a good life ‘achieves’ is an ancient one. So are the disagreements

lead us to living well and happy.

In contrast, the eudemonists equated wellbeing with the actualisation of human potentials and positive functioning in the community. According to them, wellbeing is more than just happiness – in fact happiness might not even be present in situations associated with wellbeing, given that self-fulfilment is normally associated with hard work and pain.

The historical quarrel has centred on the question of which path humanity should pursue, and if these two ways of understanding wellbeing are incompatible after all.

Pre-capitalist dominant discourses answered this question by advocating the eudemonic way of life for the masses and recommending a relatively self-contained hedonic approach for the rulers, in order for the rulers to not overspend their popular legitimacy budget.

Virtual notions of wellbeing, manufactured through communitarian cultures and religious authorities, argued that it is merely through the individual’s submission to the pre-established rules, norms, traditions and values that the ultimate flourishing of self and the purpose of life can be achieved. The formula was/is that *good faith = good fate*, as if what counts as ‘flourishing’ is fixed for all time.

With the Western expansion of colonialist capitalism, the idea of hedonic

wellbeing gained greater momentum over its eudemonic rival. The new ruling class recognised how the individual’s endless craving for pleasure and comfort can be a great source of profit and be leveraged by a system that assumes natural resources are infinitely exploitable.

The arrival of the holy dollar coincided in with the waning power of the religious authorities in Europe, and numerous secular and rationalist ideological machineries were set up to deal with the task of redefining happiness and wellbeing. New schools of thought emerged to provide the modern secular politics with a moral framework to define what human success looked like.

- Contractualists, like Hobbes and Rousseau, based their moral framework on principles everyone would agree to in ideal situations and placed happiness as the standalone plan for this life within the framework of social contracts.
- Liberal psychology held the individual responsible for finding the balance between reality and expectation (*happiness = reality – expectation*); lower your expectation if reality is not on your side.
- Utilitarianists went even further by turning wellbeing into a moral criterion, an ultimate aim of this life, a rightness of actions that cannot be questioned. Utilitarian wellbeing (*pleasure – pain = wellbeing*) had a

strong social dimension (maximum pleasure for maximum number of people) but its definitions of pain and pleasure remained highly subjective, too demanding to be feasible and the efforts to quantify it through universal indexes turned out to be impractical to many critics, including the Critical Social Sciences.

Critical Social Sciences have raised the question of the distribution of wellbeing and the diversity of contexts, and highlighted the politics behind this intellectual project. Despite the existing disputes and diversities, many of the competing Western approaches, whether orthodox or heterodox, share a number of underlying assumptions, and almost all tend to be based on dominant rationalist Western/Northern perspectives.²

With the demise of the 'welfare state', after the free market revolution in the 1980s, the idea of improving individual's 'wellbeing' was sold to the public as the ultimate goal of the so-called 'caring corporate capitalism'.

This sentiment continues today, with 'social welfare' increasingly seen as a burden too heavy for the state to carry alone in this age of lower taxes for the rich. In a cunning twist, a promising new image of 'wellbeing' has emerged, one that fully devolves responsibility for an individual's wellbeing onto the individual while creating new faith in the magic of market and capital. This



The formula was/is that *good faith = good fate*,
as if what counts as 'flourishing' is fixed for all time.



independent consumer model of well-being further reduces the role of the state to simply a provider of institutional support for the market in its mission to maximise wellbeing for all. Both the centre right and the centre left political forces in the West share a great deal of interest in this project.

Ironically, the eruption of the global financial crisis (GFC) in 2008 did not weaken the modern wellbeing discourse. Rather, it helped the discourse to become even more sophisticated by bringing elements of the eudemonic tradition back in the form of shared suffering for the communal good.

Whereas economics has historically been defined as the science of managing scarce resources, post-GFC progressive revisionists are shifting the focus from 'measuring' production to 'measuring' quality-of-life; 'the goal of economics is [now] to *enhance* our well-being'.³

This move has also played well in the hands of economic conservatives. If wellbeing is more than happiness, and require sacrifices and pain to achieve a higher status of self-flourishing and maximum pleasure for the majority, then economic austerity can be morally justified.

Yet the more people are delinked from the state's protection under austerity regimes, the more they become dependent on non-state forces to pursue happiness: from positive

psychologists, to the fitness industry, to alternative medicine, to the giant debt industry that encourages consumers to spend even in an age of fewer state safety nets and economic stagnation.

The more the public sector is colonised by the corporate sector – through privatisation or controlled by managerialist technocrats from within – the more the acquirement of 'wellbeing' (as a process or outcome) will primarily become the responsibility of the individual.

This de-politicisation of own personal wellbeing and health clearly serves the interest of the ruling class and their policy makers, by blaming the individuals for their so-called bad choices.

Societies however have not been apathetic towards the commodification of wellbeing (i.e. treating wellbeing and health as commodity). Reclaiming the commons, the state, and public spaces where the 'quality of life' is mainly determined, has been one of the major demands of many recent progressive movements. Such movements have inspired many of their actors to rethink the mainstream notions of wellbeing.

THE CORE IDEA IS THAT
NATURE, COMMUNITY
AND INDIVIDUALS
ALL SHARE THE SAME
METAPHYSICAL OR
SPIRITUAL DIMENSION.

Suma qumaña

Transformative movements against neoliberal globalism, mostly from the global South, have questioned the well-being discourse since the early 2000s, by highlighting cultural specificities, the centrality of communal life, and the criticality of ecological environments.⁴ These are all issues that can hardly be measured, let alone be addressed, by the mainstream Eurocentric approaches to wellbeing.

In the early 2000s, as one example among many, the augmenting indigenous movements in post-neoliberal Latin America (Ecuador and Bolivia) – drawing on the legacy of their pre-capitalist living epistemes and post/

colonial experiences – raised the idea of *buen vivir*, *sumak kawsay*, or *suma qamaña* ('living well together') and struggled to translate it into government policies or legislative reforms.

Despite the inbuilt tensions within the discourse and the political complica-

tions, *the core idea is that nature, community and individuals all share the same metaphysical or spiritual dimension*.⁵ Therefore, achieving and maintaining a psycho-spiritual state

The more people are delinked from the state's protection under austerity regimes, the more they become dependent on non-state forces to pursue happiness.

Well-living is about enhancing the capacity of individuals to care for and to promote the wellbeing of their communities and their environment in the most collaborative way possible.

of harmony within the self (among its different functions like reasoning and emotions) and between selves and nature, is a virtuous and thereby a self-fulfilling way of life that needs to be pursued at all levels from the personal to the political.

In response to the paradoxes and inadequacies of mainstream wellbeing discourses, and inspired by such radical transformative voices in the global South that advocate for post-neoliberal futures,⁶ I aim to initiate an argument for both the plausibility and indispensability of a profound shift in our understanding of people's wellbeing.

'Well-living' (a term I coin and advocate for here) can function at least as a dialogical potential, to represent a transition in how we understand what quality of life is without creating contradictions between the individual and the communal, the material and the subjective. Well-living is about enhancing the capacity of individuals to care for and to promote the wellbeing of their communities and their environment in the most collaborative way possible, through genuinely democratic or consensual mechanisms.

The question here is not primarily about how far 'my' ecological and communal conditions are suitable to

'me' to obtain more pleasure and avoid pain (according to the hedonic views) or even to fulfil 'my' true self (according to the self-oriented eudemonic perspectives). Well-living, at the societal level, is not just a sum or average of individuals' wellbeings.

Well-living, as a general framework rather than a fixed notion, is about (1) enabling the Self and Others, (2) diversifying experiences, (3) promoting equality and self-sufficiency, (4) promoting reciprocity and conviviality, and (5) a peaceful coexistence. I would like to warn, from the outset, that such an idea must not be turned into another reified notion (even with a dissenting gesture).

Well-living can only be realised in a society where all individuals have equal access to the opportunities and resources necessary to meet their basic needs, achieve sustainable comfort and refinement without compromising the planet's ecological capacity to sustain itself and life, and to achieve a persisting harmony with nature (now the most oppressed, voiceless entity in human history).

Well-living is therefore about the creation of harmony within the individual, between the individuals and between the culture and nature. This state of harmony however


CHANNEL THE CAPACITY OF THE COMMUNAL!

Are Capitalism and Community antagonistic?
See Cahill's article on p22

cannot be achieved when there are many forces of disharmony, like capitalism and consumerism, at work. This therefore inevitably becomes a grassroots political project – partly a political demand from below for a non-reformism reform of the state and economy, and partly a collective practice that can be exercised through community building wherever possible.

Can well-living coexist with capitalism? Well-living cannot be universally defined or determined. Rather it needs to be defined contextually according to cultural systems that give meaning and purpose to life and create social bondages, given that they are subject to open deliberations within public spheres.

Therefore, the complexities of every given context will be taken into account when operationalising well-living as an abstract notion into a praxis. Moreover, it is not the level of access to the means of production and subsistence that determine well-living but more how democratically the access and control is determined.

Such a non-capitalist notion of 'quality of life' is needed to become the center of our transformative grassroots projects when imagining or planning alternative modes of livelihood and sociability beyond, carbon, capital and growth. 



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The Tall Poppy Campaign was established in 1998 by the Australian Institute of Policy and Science (AIPS) to promote public awareness of Australia's intellectual achievements. An important component of the Campaign is the Young Tall Poppy Science Awards, which recognise the achievements of outstanding young researchers in the sciences including technology, engineering, mathematics and medical research.

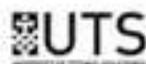
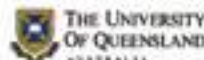
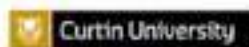
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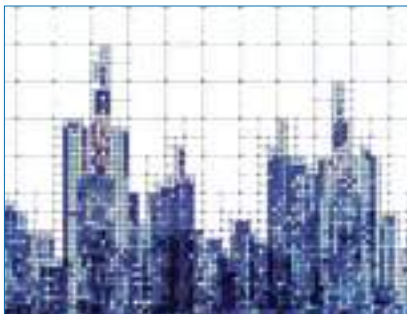


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From lawn to lattes – The cult(ure) of consumption

Consumerism can mean the exact opposite of materialism. Our modern culture of consumerism usually refers to the love of consuming, the love of acquiring the new; whereas materialism refers to the love of the material objects themselves. And if you love something, then the thought of throwing it away to replace it with a new model would be a source of pain, not joy. Culture is a significant, but often overlooked, driver of the shape and measured size of economic activity – and it can change.

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STEVE KEEN

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STEPHEN HEALY, JENNY CAMERON, KATHERINE GIBSON, JOANNE MCNEILL