

Prologue

The great majority of men and women, in ordinary times, pass through life without ever contemplating or criticising, as a whole, either their own conditions or those of the world at large. (Bertrand Russell, 1918)

The end of World War II in September 1945 was celebrated in many ways. I was the result of one such celebration, born some nine months later into a middle class Jewish family in a north London suburb in the UK. I was on the leading edge of the baby boom, the generation whose demographic weight has given it a disproportionate impact on society for over half a century. The adventure playgrounds of my childhood were an unsupervised, overgrown field known as the barn, though there was no longer a barn, and a local bomb site which became the site for a Woolworth's store. I was educated at a private nursery school, a local primary school and a highly regarded all boys grammar school from where I went to Birmingham University and then to the University of British Columbia to study economics.

I recount these few details of my early life not because they are especially interesting but because they tell you something about the values that I acquired growing up in post-war Britain. These were typical middle class values which stressed the importance of family, education, and hard work and which generally equated success with a secure income earned in a profession and the acquisition of material goods.

It is difficult, if not impossible, to step outside your own value system and to reflect upon it, but that is what I try to do in this book. I also invite you to do the same. The main value that I want to call into question is the primacy that we in rich countries give to economic growth as the over riding economic policy objective for government. Sometimes growth comes dressed in other clothes such as 'competitiveness' or 'free trade' or 'productivity', but underneath is a commitment to economic growth. It is the policy objective against which all other proposals must be judged. Environmental policy must not be allowed to impede growth, and where possible should be advocated because it will boost growth. Apparently a green economy will be even bigger than a brown one. Education policy must see that students are trained for work in the 'new economy'. Transportation policy should result in a more rapid movement of goods. Immigration policy should attract the most highly educated and wealthiest

to meet the needs of a growing economy. Support for the arts is based on the economic contribution of movies, theatre, television, and arts festivals. All are judged against their contribution to growth.

Growth of the economy supports a variety of not necessarily compatible objectives such as maximizing profits, raising shareholder value, increasing sales and market share, higher wages, more consumption etc., etc. I did not include happiness in this list though it is often assumed that economic growth provides the means to fulfilment and therefore, I suppose, to happiness. We shall see later whether the evidence supports this assumption. Nor do I include freedom, justice or equity, or quality of life, or Maslow's 'self-actualization', or Sen and Nussbaum's 'capabilities', which some argue are fostered by growth if not guaranteed by it. And I certainly do not include peace and quiet and a contemplative life.

What I am most interested in, and what this book is about, is the rationale for a continued commitment to economic growth as the primary economic policy objective, and whether countries such as Britain, where I grew up, and Canada, where I have spent most of my adult life, can and should manage without growth. This is not to say that we should adopt zero growth as an alternative, over arching policy objective. Rather that we should not bother with growth as a policy objective at all or only as subsidiary to more specific objectives that have a clearer and more substantiated relation to well being. I will touch on policy issues throughout the book but you will have to wait until the last chapters, or jump ahead if you are impatient, before I pull together some of the policy implications of managing without growth.

In the first chapter I describe economies as open systems situated within the biosphere on which they depend. Then in Chapter 2, I describe how economic growth emerged as the pre-eminent economic policy objective of government and how that commitment lives on, obscured perhaps by the newly fashionable language of 'sustainable development'. In subsequent chapters I examine three main lines of argument for why rich countries should start to manage without growth. Having laid the groundwork, I go on to explore in some detail what might be achieved in terms of employment, poverty elimination, environmental protection, and fiscal prudence in a no or low growth economy, using Canada as an example. I end the book with a consideration of public policies for managing without growth.

Throughout I use some fairly simple simulation models to help with the analysis. They are helpful for examining issues like reducing emissions of carbon dioxide, coping with peak oil, and what happens when status rather than use becomes the main motivation for consumption. I also use a more ambitious yet still simple model of the Canadian economy to further investigate possibilities for managing without growth. All of these models are

available over the Internet for you to use in your own inquiry into managing without growth (www.pvictor.com).

If like me you have been inculcated with the virtues of economic growth, you may have to suspend your belief in this fundamental value of contemporary society as you read on. It is the best way to make the most of the journey. Of course, I expect that it will take more than this book to change your mind about something you may feel deeply, but humour me. I'm only asking you to think about managing without growth. The really exciting part comes later when enough of us in the rich countries are convinced that it's the best if not the only way to go. Then we shall have some real work to do.