

Enough Is Not Enough

The goal of eternal economic growth should be treated as an obsessive-compulsive disorder...

It's a peculiar imperative, to say the least. The notion that we can go on and on. Is it some reaction to the bitter truth of mortality? That what the individual is doomed to fail at, the group (the economy, stupid) can attain? If so, it's a dumb idea. Nothing else grows eternally. Things grow until they reach natural limits – their own (the ability of a bone to bear the weight of itself and its enshrouding flesh), or its environment's (the capacity of a region to provide enough food and livelihood). Why should economies be any different?

But what actually is economic growth? You hear the term all the time – there can't have been a news broadcast in the last decade or two in which the term wasn't mentioned at least once. All it means is that we spend more money (adjusted for inflation) than we did last time (last month, quarter, year, any period you choose). Yes, Virginia, this is the societal goal our lives are devoted to, what our activities are adjusted to suit: spending more money.

More spending means more activity, more building, extracting, transporting, generating, producing. But *not* eternally: for example, if we keep increasing our extraction of the top ten minerals by the modest three percent growth rate economies usually aspire to as a bare minimum, then in a thousand years we'd need to be digging up an amount weighing more than the entire earth.¹ Talk about digging your own grave. Growth is not sustainable by its very definition. But that doesn't stop us trying.

Economic growth concerns quantity not quality: perhaps forty percent of paid work cleans up the mess made by the rest.² Never mind the fabric, feel the width. With this sort of demented logic, even bushfires and floods are great for growth because of the rebuilding they prompt – lots more consuming and spending – so, from a purely economic perspective we might hope for a bushfire- and flood-led recovery. If that sounds crazy or offensive, then I agree. Welcome to economics, the land of extremely weak excuses.

Exactly why do we have to grow? Why this all-consuming relentless fixation? It has more to do with what happens when we don't grow...

Firstly, if businesses don't invest much or all of their profits in new ventures intended to *increase* their profits – thus boosting production and spending, and so spurring growth – they risk shrinking profits and ultimate loss, because either their markets will become 'saturated' with too many consumers already having purchased their goods, or newer products will supersede theirs, or they will be out-competed eventually by other businesses that do grow.

Similarly for banks: for loans to producers to be repaid, they must finance enterprises that eventually make sufficient profits to cover the costs of servicing the loans, which means more spending. Likewise, if consumers spend less, not only do they have less need to borrow money, but also fewer sales happen, and therefore profits reduce, leaving businesses with less money to repay debts. So, like any profit-seeking business, lenders want growth.

But not only businesses and banks have compelling reasons to want economies to grow, so do wage earners. If an economy does not grow, if instead its spending reduces, it has less need for production and work – and because less work almost invariably means less income, this causes obvious problems, not only for those whose income reduces, but also for the producers of the goods that might otherwise have sold if income had not reduced, and for banks with outstanding loans. Failure to grow thus encourages more of the same. Or, as Tim Jackson succinctly put it: "Growth is necessary within this system just to prevent collapse."³

The same undesired effects follow even if an economy's spending somehow stays static, neither growing nor contracting: in this rare situation, efforts to maximise profits still unleash productivity

¹ Robert L. Heilbroner, *Business Civilization in Decline* (Marion Boyers, London, 1976), p.104

² F.E. Trainer, *Abandon Affluence!* (ZED Books, London, 1985), p.241

³ Tim Jackson, *Prosperity without Growth? The Transition To A Sustainable Economy* (Sustainable Development Commission, 2009, available at http://www.sd-commission.org.uk/publications/downloads/prosperity_without_growth_report.pdf), p.8

improvements, automation or out-sourcing, all of which reduce the need for workers, meaning less income and spending, and a conversion of no growth to reduced growth, with all its associated problems.

Don't even consider sharing the necessary work and adjusting prices so we could all afford reduced income – that won't assist growth or profits. And god forbid we should work *less*. Or settle for what we already have, however much it might actually be sufficient, not as long as we have this tendency to measure ourselves against each other and so always find someone to make ourselves seem inadequate. No, we always need to have more work. Even if we can never make a really conclusive self-consistent argument as to why exactly. Even if it never makes us more happy or fulfilled or contented. Even if it drives us up the wall with its daily frustrations and apparent pointlessness, and god I wish I was doing something really interesting at the moment instead of this endless drudge, and why do we really need to upgrade, and who does he think he is droning on and on and saying nothing, and god how long will it take to finish this ditch, and why are we digging it anyway, we only did this section a few years ago...

Stiff upper lip. Don't think about it, just think of economic growth. That's why you're allowing the intrusion, the foul unwelcome invasion, the violation of your life. Spend more money, so we can make more profits and repay more loans and create more work to replace jobs lost because of the way previous profits were increased, in order to earn more money and make more profits and create more work and repay more loans made to allow us to spend more money, so we can spend more money and make more profits and repay more loans and create more work, so we can spend more money... spend more money... more... more... more... more, you can do it for me baby, keep going, keep going, aaah, aaaaaahhhhh... uhh... eh?! The alternative is unthinkable: fail to grow, spend less, shed jobs, make fewer profits, repay fewer loans, suffer bankruptcies, financial collapse, recession, and the economy disappearing up its assets.

It's true that as long as our populations keep growing, we have some sort of excuse. An implicit economic growth is required to accommodate more people. More mouths to feed means more food is needed. More bodies to brave the elements means more clothes to make, more houses to build. And so on. And more money to do all that, to pay for the extra food, clothes, houses and so on. But growth is then a consequence of a rising population, not a goal for it. Besides, birth rates have lowered in many first world nations to the point where their populations would barely grow if at all, except they allow others from outside their boundaries to join them. A static or reducing population, as many first world nations now have in truth if not in practice, has no imperative for a growing economy – except jobs and profits must be sustained, of course.

It's the stupid economy. As long as we think we have no choice but to compete for jobs and profits, we will always need to keep making more of them, and therefore will always need growth – regardless of its considerable costs. But competing for jobs and profits is an arbitrary choice – there's no fundamental reason why we can't invent other rules and mechanisms to fund necessary enterprise but which don't require growth, except we are so habituated to our arbitrary economic rules we can't see past them.

It's self-contradictory, based on circular logic, oxymoronic, brain-dead, but it's also the religious principle of the day and age: worship of god the profit, the job and the holy growth. If we were sensible, we'd realise there's no reason to be held sway by this demented societal convention. We'd realise we don't have to frame our lives to this simple-minded delusional myth. We'd stop worshipping *false* gods.

But it has become... habitual. There's no kinder way of putting it. We got used to it – as the *raison d'être*, the guiding existentialist point to it all, the credo by which we live, the unquestioned assumption – used to it so much that most of us can't even imagine life and society and civilisation (and basically everything we have) without it.

We *could* try to think of ways to arrange things to function well whether we spend more or spend less. We *could* devise a new set of economic rules, necessarily different to the current set, that allow for prosperity with or without growth. (They're just numbers, stupid.) We *could* – and I *have*. But you're probably too busy spending more money to listen...

Herman Royce is [God Almighty's](#) biographer and self-appointed spokesperson, inventor of [A Free Lunch](#), and the first person in history to say "Now I've seen you naked, I could never eat turkey."