

## There is no alternative to economic growth

A growing economy is the foundation upon which capitalism is based. Growth is what makes companies and economies **competitive** in a globalised world, and is accompanied by **innovation and progress**. If Germany were to leave the path of growth, key parts of the economy such as the auto industry or entire sectors such as the renewable energies industry would contract, putting many **thousands of jobs** at risk. What is more, in a shrinking economy, the **prosperity** achieved by Germany in recent decades thanks to constant economic growth would be impossible to sustain. Poverty would rise sharply, and the gap between rich and poor would widen. It would not be long before the state went bankrupt – tax revenue would plummet, while spending on welfare would skyrocket as a result of rising costs such as unemployment benefits. Ultimately, the welfare state as we know it would cease to function. As expressed in a nutshell by Federal Chancellor Angela Merkel in a government statement in 2009: “Without growth there is no investment, without growth there are no jobs, without growth there is no money for education, without growth there is no help for the weak. And vice versa: with growth, there is investment, jobs, money for education, help for the weak, and most importantly, confidence among the people.”

Economic growth, therefore, ensures the **stability of our economic system** and thereby also that of our society and our democracy.

### Quellen:

M. Schmelzer, A. Passadakis: *Postwachstum*, Hamburg 2011; K.H. Paqué: *Warum Wachstum? Sechs Gründe für eine gute Sache*, Berlin 2012; M. Miegel: *Exit – Wohlstand ohne Wachstum*, Berlin 2010; BUND u.a.: *Zukunftsfähiges Deutschland in einer globalisierten Welt*, 2008, Eurostat (<http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>)

## There is no alternative to post-growth

It may well appear to us today that there is no alternative to economic growth. However: high growth rates are a thing of the past.

Although the German economy was still enjoying rapid growth in the 60s, average yearly growth from 1993 to 2013 was just 1.2%. The trend towards falling growth rates is shared by most highly industrialised nations, as in these countries the **demand for new goods and services** has already been more than met.

Furthermore, the increasing scarcity of **natural resources** could soon make economic growth an impossibility. The basis of our current growth – oil – will start to run out in a matter of decades, and become so expensive that its use is no longer viable.

Upon closer examination, growth fails to deliver on its promise: in Germany, **life satisfaction** has long ceased to rise despite constant economic growth. Contrary to the claim that growth creates jobs, **unemployment** is on the rise. Growth has also failed to balance national budgets, with **debt levels** continuing their inexorable rise while **social security systems** are subjected to cutbacks.

Even more serious is the growing threat presented by anthropogenic **climate change**. There have been just two periods in which a major reduction in CO<sub>2</sub> emissions was achieved: during the industrial collapse at the end of the Soviet Union, and during the financial crisis of 2008/09.

What we need is not more economic growth, but **concepts and approaches for an economy and a society in a world after growth** – a post-growth society.