

Growth Fetishism and the New Politics of Wellbeing

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Clive Hamilton¹

I am very pleased to be addressing you today, especially in this august place. Let me thank Claudio Aguirre-Bianchi especially for inviting me to travel to Sweden to talk to you about the ideas I have set out in my book *Growth Fetish*,² and developed in various other writings.

When writing *Growth Fetish*, I drew examples mostly from affluent English-speaking countries (with the addition of Japan). The Anglophone countries in particular seem to have adopted a strong form of neoliberal ideology over the last two to three decades, and have seen their cultures and social institutions overwhelmed by the forces and values of the market in a way that has not been matched in much of continental Europe. On the other hand, the arguments obviously strike a chord in other countries – the book has been translated into Japanese, Italian and Spanish – and, at various lectures and seminars I have given, people from countries as diverse as China, Russia and Poland have said that the analysis describes accurately the trends in their homelands.

I am therefore eager to hear from you how much these arguments resonate in Sweden, which is seen by progressives around the world as the nation that has, more than any other, epitomised the civilising influence of social democracy and the modern welfare state. Yet even here I am sure that the influence of market ideology has been expanding and bringing with it social and cultural changes than make many feel uneasy.

¹ Executive Director, The Australia Institute (www.tai.org.au) and Executive Chair of the Climate Institute (Australia). Contact: exec@tai.org.au.

² C. Hamilton, *Growth Fetish*, Pluto Press, London, 2004

Growth fetishism

The starting point of my critique is to challenge the most sacred belief of modern political and economic thought – the belief that a nation’s progress is determined above all else by its rate of economic growth and that the first obligation of any government is to manage the economy to keep GDP growing as rapidly as possible over time. Consider how powerful this assumption is. The global economy is structured to promote growth. The international economic institutions – the IMF, World Bank and WTO – are powerful because they are seen to be essential to sustaining economic growth. Nationally as well as internationally, a privileged place is given to private firms because they are believed to be the ‘wealth-creators’ and creating wealth is accepted as the most important task. Environmental protection has made considerable strides over the last two or three decades, but only because it has been shown that it will not harm growth. On the other hand, despite the overwhelming evidence that global warming will transform the Earth’s climate for centuries, with fearful consequences for human health and wellbeing (not to mention the survival of many species and ecosystems), the world cannot agree to significant reductions in greenhouse gas emissions because of concerns about the effects on economic growth.

The pre-eminence of income growth as the goal of public policy and of private life has sunk deep into our consciousness. For decades we have been promised that growth will unlock possibilities of which previous generations could only dream. Economic growth will deliver a life of luxury and ever-increasing leisure, with more free services, devices to relieve the drudgery of household work, opportunities for personal enrichment, exciting space travel and cures for the diseases of humankind. The lure of growth is endless. For any social problem more growth is always the solution. Unemployment is rife: only growth can create the jobs. Schools and hospitals are under-funded: growth will improve the budget. Protection of the environment is unaffordable: the solution is growth. Poverty is entrenched: growth will rescue the poor. Income distribution is unequal: growth will make everyone better off.

The principal moral claim of neoliberalism is that only free markets can unleash productive power and make us all richer, a claim that cannot easily be challenged by social democracy or socialism. After three decades in which neoliberalism has swept

all before it, there is now no serious political opposition or alternative; there is no response to the arguments of those who support the single-minded pursuit of more economic growth and the spread of free markets everywhere.

Although at considerable social cost, the process of so-called economic reform – privatization of public assets, freeing trade, liberalizing capital markets, deregulating labour markets and contracting out public services – has undoubtedly increased the rate of economic growth. With few exceptions, the economies of the West have been booming since the early 1990s and most citizens of rich countries have become prosperous as never before. Of course, a portion of the population continues to suffer material deprivation, but a large majority has been blessed by prosperity.

But in the face of all of the fantastic promises of economic growth, at the beginning of the 21st century we are confronted by a startling fact, a fact that is gnawing away at the very core of neoliberalism itself. Despite high and sustained levels of economic growth in the West over the last 50 years – growth that has seen average real incomes increase perhaps threefold – the mass of people are no more satisfied with their lives now than they were then. There is no evidence that the beneficiaries of this sustained growth are enjoying happier lives as a result; and there is a good deal of evidence that their psychological wellbeing has deteriorated. When asked whether they believe that on the whole people are happier now than they were 30 or 40 years ago almost everyone says ‘no’.

If the purpose of growth over recent decades has been to give us better lives – and surely there can be no other purpose – then it has manifestly failed.

Political convergence

The dominance of free-market thinking in economics has been paralleled by a transformation of politics in Western countries. Over the last 25 years politics in the West have been marked by the ideological convergence of the conservative and social democratic parties. Mesmerised by the promises of higher growth, social democratic parties have abandoned their traditional commitments and converged on the free market policies of the conservatives. It is now a commonplace to observe that the conservatives, seeing their political ground occupied by the parties of the ‘left’, have

purified their neoliberalism, discarded the old ideas of social conservatism and shifted further to the right.

The political implications of this ideological convergence through the 1980s and 1990s have been profound. The political culture of Western democracies has been reconfigured as the sense of class solidarity that once underpinned the parties of the left has evaporated. People no longer know what the parties of the left stand for. Their natural appeal to working people faded as they abandoned their traditional principles and the worldview of ordinary people shifted.

The more the parties have converged in substance, the more they have attempted to differentiate themselves through spin. The politics of spin are inescapably spurious, and there is a popular belief that the democratic process has become an elaborate charade. As posturing replaces policy, the major parties manufacture outrage at the alleged failings of their opponents, even though there is little of substance to distinguish them. No wonder people are alienated, and political space is created for the emergence of parties of the far right. The irony is that, instead of blaming the system and those who benefit from it, some of those who become alienated turn their bitterness on those least able to protect themselves – single mothers, immigrants and indigenous people.

Growth fetishism and its handmaiden, neoliberalism, therefore assail democracy itself. Social democracy is being superseded by a sort of market totalitarianism in which more and more of our private lives and public decisions have been colonised by the values and constraints of the marketplace. When older people speak bitterly of the corruption of modern politics, they nevertheless feel that it is a historical aberration from the constancy of democratic rights, and that in the end the people can still have their say. Disturbingly, younger people hear only the accusation that the system is incurably corrupt, and they believe it.

Towards an alternative

On its own terms, neoliberalism has been highly successful. But around the world, a few critics have begun to pose the subversive question: why, with all our riches, are we no happier? There is evidence of a widespread social malaise in rich countries,

reflected in an unprecedented prevalence of psychological disorders. Many people believe that the preoccupation with materialism and money-hunger have been responsible for a decline in public and private morality and there is a widespread, if rarely articulated, feeling that, for all of its temptations and promises, at its heart the consumer life is empty. In other words, despite its economic successes, neoliberalism has left us with dysfunctional societies populated by alienated people living pointless lives.

My organization, The Australia Institute, began asking these questions around six years ago, and we have been impressed by three sets of evidence. Firstly, we conducted a survey which concluded that most Australians do not believe life is getting better. On reflection, this is an extraordinary fact, for our leaders have been promising for decades that if only we can get the economy growing quickly then our nation will progress and our lives will be better. The economy has been doing very well, yet most people old enough to make a comparison nominated the 60s or 70s as the decade in which the quality of life was highest, even though incomes were perhaps half their current level. When asked to reflect on what would make for a better life, few people ranked more money high on the list of priorities. We discovered that these views were being reported in studies in affluent countries around the world, especially Anglophone ones.

Next, we began to ask why governments and commentators are so preoccupied with GDP, Gross Domestic Product, as the measure of how we are progressing as a nation. Why do we assume that the annual increase in the value of marketed goods and services has any bearing on a nation's state of wellbeing? So we constructed an alternative to GDP that takes account of many other factors affecting our economic wellbeing.³ They include the way in which increases in national income are distributed, and the contribution to our wellbeing of the vast amounts of unpaid work in the household and the community each year, benefits that cannot be found in the national accounts. The new measure, known as the Genuine Progress Indicator, also accounts for some of the costs of the growth process, including effects on the

³ See www.gpionline.net

environment (such as global warming), the costs of commuting and the costs of crime. In all we accounted for 21 additional factors.

The Genuine Progress Indicator shows that, while GDP per person rose steadily through the decades beginning in the 1950s, from around the mid-1970s the GPI began to fall. The divergence between money incomes and a broader measure of economic welfare matches the pattern shown in GPIs compiled for a number of other countries, including Sweden.

Thirdly, we began to take notice of an emerging body of literature reporting the work of psychologists who were exploring in detail the relationship between higher incomes and happiness.⁴ The studies found that above a certain threshold – one passed by the great majority of people in rich countries – more money income would make virtually no difference to perceived life satisfaction.

The literature shows that people who pursue extrinsic or external goals of wealth, fame and physical attractiveness – the very goals that are pressed upon us daily as the road to success in consumer society – are less happy and have lower quality of life than those who have inner-directed life goals. Thus the studies conclude that the life-orientation of consumerism actually make us less contented. Those who adopt this orientation make others less happy too. Individuals with external motivations are shown to have shorter, more conflict-ridden and more competitive relationships with others, thus potentially harming the quality of family, colleagues and friends. They are also more likely to suffer from psychological disorders.

US psychologist Tim Kasser, who has been at the forefront of this research, summarises a decade of work.

People who are highly focused on materialistic values have lower personal well-being and psychological health than those who believe that materialistic pursuits are relatively unimportant. ... The studies document that strong materialistic values are associated with a pervasive undermining of people's well-being, from low life satisfaction and happiness, to depression and anxiety,

⁴ For references, see *Growth Fetish*, op. cit.

to physical problems such as headaches, and to personality disorders, narcissism, and antisocial behavior.⁵

Of course, materialistic life goals are precisely those promoted by advertising and the culture of marketing.

The research results serve only to confirm centuries of folk wisdom. The evidence points to the conclusion that the more materialistic we become, the more we try to cope with our insecurities through consuming and the less contented we are. Further, despite the barrage of advertising that tries to tell us otherwise, the more materialistic we are, the less free we are. Why? Because we must commit more of our lives to working to pay for our material desires. And the more acquisitive we are, the more our desires and the means of satisfying them are determined by others. Acquisitive people derive their sense of identity and their imagined place in society from the things they own, yet the symbols that confer that self-worth and status are at the whim of external forces – of fashion. Despite all of the neoliberal rhetoric of choice, the spread of the market actually deprives us of autonomy.

These three bodies of evidence contradict the neoliberal assumption that privileging the market and economic growth will improve national wellbeing. Despite sustained growth and high incomes, citizens of affluent countries are no happier. If we measure economic wellbeing more systematically then, in contrast to the story told by the official national accounts, wellbeing is declining; the costs of growth have begun to outweigh the benefits. And the type of society and the personal characteristics promoted by growth fetishism are dysfunctional, resulting in lower quality of life, more psychological stress and poorer relationships.

Several think tanks and researchers in other countries noticed these anomalies too and began to question the whole growth project. In the US, a think tank called Redefining Progress and an organization known as the Center for the New American Dream began to ask awkward questions about the benefits of our obsession with higher incomes and ever-greater consumption. In the UK, the New Economics Foundation, which also compiles a Genuine Progress Indicator, last year published a new political

⁵ Tim Kasser, *The High Price of Materialism*, MIT Press, Cambridge MA, 2002, p. 22

manifesto called ‘A well-being manifesto for a flourishing society’. We at The Australia Institute were so impressed that we set about writing a wellbeing manifesto suited to Australia.

The think tanks and researchers I have mentioned have one thing in common – they are not aligned with any political party, a fact that gives them the freedom to think more radically and to go beyond the traditional preoccupations of both conservative and social democratic parties. After all, the established parties of left and right have all committed themselves to neoliberalism, the free-market and higher consumption as the keys to further social progress.

For much of history it is understandable that humans have wanted above all to be free of the daily compulsion to provide for their material needs, and they dreamed of the lives they could lead once so liberated. In 1930 John Maynard Keynes reflected on what life would be like after another century of economic growth. He anticipated that, with average real incomes perhaps eight times higher, the economic problem would have been well and truly solved. This is the point that has been surpassed by the great majority of people in the West today. In this state, Keynes observed:

. . . for the first time since his creation man will be faced with his real, his permanent problem — how to use his freedom from pressing economic cares, how to occupy the leisure, which science and compound interest will have won for him, to live wisely and agreeably and well . . . [I]t will be those people, who can keep alive, and cultivate into a fuller perfection, the art of life itself and do not sell themselves for the means of life, who will be able to enjoy the abundance when it comes.

Despite the abundance provided by sustained growth, few people today keep alive and cultivate the ‘art of living’ that Keynes referred to, and most cannot enjoy the bounty that has arrived. This is the tragedy of consumer capitalism. Now that most people in rich countries are affluent, the demands of the economy have become *more* rather than less dominant, and we are in the grip of money-hunger as never before.

Instead of being liberated by the enormous productive gains we have achieved, it seems that we have allowed ourselves to become enslaved. Moreover, in sharp

contrast to the promised freedom to choose our own destinies, our materialism makes us ever-more dependent on others for our personal identity and sense of self-worth. The freedom of the market has turned into the enslavement of the soul.

The death of social democracy

All this suggests that the problems besetting the West today are, for the most part, sicknesses of affluence rather than of material deprivation. Consequently, political ideologies that emerged in an era characterised by poverty, exploitation and lack of opportunity cannot provide an understanding of the modern world nor a solution to its problems. Social democracy is no longer relevant and is no longer capable of inspiring citizens to support social change. Let me explain my reasons for this belief in a little more detail.

Class and power

Social democracy emerged at a time when society was dominated by the struggle between labour and capital and set itself the task of countering the power of capital through the political process. Reflecting the early influence of Marxist political analysis, social democracy was constructed on a class view of the world, one that, as long as it was not interpreted rigidly, remained illuminating through much of the 20th century. Often aligned directly with the trade union movement, social democratic parties saw their task as one of pursuing in the political domain what the unions pursued in the industrial domain, constraining the power of capital and advancing the interests of the working class.

At the time it was not difficult to define the working class; those who worked for wages (or piece rates in some industries). The bosses, their managers and the professional classes were more or less distinct. Roughly speaking, class divisions reflected economic structure, and political and cultural aspects of class generally conformed to the economic structure.

But from the 1970s and 1980s this well-defined structure collapsed as the economies of rich countries themselves were transformed, from ones built on manufacturing, farming and mining to ones dominated by service industries. The sharp decline in the

number of manufacturing jobs, the traditional base of the unions and working-class politics, was matched by the rise in the number of white collar professionals. And far-reaching cultural changes — especially those driven by the new social movements — combined to dissolve the notion of class as a useful analytic device or basis for politics. In the words of the German sociologist Ulrich Beck:

Industrial society, understood as a model of the lifeworld in which gender roles, nuclear families and classes are interlocked, is disappearing ... The same mode of production, the same political system, the same dynamics of modernization are producing a different society in the lifeworld: different networks, different circles of relationships, different lines of conflict and different forms of political alliances for individuals.⁶

Class as a social, cultural and political category has virtually disappeared, and this has eroded the social foundations of social democracy, creating a new fluidity to political alignments.

This is not to say that inequality in the distribution of income, opportunity and power have disappeared – far from it. But the social concerns that motivated social democracy – poverty, inequality and exploitation – are, as a result of affluence, now confined to a small proportion of the population, less than 20 per cent in most affluent countries. While the moral imperative to ameliorate the circumstances of this group remains – indeed, in the face of widespread affluence, it becomes even stronger – the circumstances of the bottom ten or 20 per cent of the population are no basis for a politics of social transformation.

Nor am I claiming that business does not continue to exercise enormous power; I argue that it exercises power in a way quite different from the image of the ruthless boss focused on the bottom line in the factory. Generalising, power is no longer exerted through struggles in the workplace over pay and conditions and the right to organise; it is brought to bear through the processes of consumption. The locus of social control and social conflict has shifted from the production sphere to the consumption sphere which is dominated by marketing.

⁶ Ulrich Beck, *Democracy Without Enemies*, Polity Press, Cambridge 1998, p. 21

The individual

In the post-modern world, the nature of the individual has undergone a radical transformation. In contrast to social democracy's conception of the individual as a member of a class engaged primarily in an economic struggle – a class from which they derive their identity and place in the social order – the individual today is free floating. No longer subject to material privation, the choices facing today's individual are vastly expanded, at least in principle. Here I am not talking of neoliberalism's trivial idea of choice – that exercised in the market for goods and services – but the opportunity to choose a life course. In particular, many people could elect to step off the materialist treadmill and distance themselves from the influence of the market.

Today, compared to the individual of the social democratic vision, our sense of self and place in the world are more fragile and contingent than ever. In a world of global cultural diffusion and loss of community rootedness, we must create our own identities – or 'write our own biographies' in Beck's words – and it is primarily through our consumption behaviour that we do this. We construct our identities in large measure, and increasingly, through the lifestyles we choose, the brands we buy, the self we manufacture by selecting an identity from those offered to us by the marketers.

The compulsion to participate in the consumer society is no longer driven by material need, or by political coercion, but by the belief of the great mass of people that to find happiness they must be richer, irrespective of how wealthy they already are. If ordinary people today are exploited then it is by common consent. They choose the gilded cage and would prefer not to be told that the door is open. Thus in rich countries today the power of capital is an ideological rather than an economic force.

I think this provides us with a far more useful way to think about the process of globalisation. In this view, globalisation is not just the free flow of trade and investment but the spread of certain political ideas and cultural forms. It represents not only the export and imposition of economic policies built on neoliberal orthodoxy but also the diffusion of a culture and a psychological predisposition centred on economic growth, compulsive consumption and the exploitation of the natural world.

The legitimacy of globalisation is drawn from the belief that human wellbeing is improved by increasing the volume and quality of goods and services consumed by individuals, and its effect is to give a privileged place to all activities and policies that promise an increase in the rate of economic growth. Parallel with this formal set of values and beliefs are cultural forms of behaviour that place extraordinary emphasis upon consumption as the foundation of lifestyle. This is why there has been so little resistance to globalisation. From Beijing to Berlin, from Boston to Beirut, people have been persuaded by the ideology of consumer capitalism that economic growth is the path to happiness, and that unfettered markets will maximise growth. In other words, globalisation has succeeded, above all, because people have been persuaded it will make them richer.

In this view, the progressive critique of globalisation has missed the mark. It is not the free flow of goods, services and capital that represents a danger, but the way in which the ideology of the market now frames our thinking, distorts our choices and erodes the moral basis of society. Thus while happy to accept the material benefits that have flowed from globalisation — albeit with certain reservations about the increased power of global corporations — there is also a widespread discomfort about what it has all meant for our cultural integrity and moral wellbeing.

Solidarity

As a consequence of this new dispensation the old idea of solidarity, the emotion that powered social democracy, has little meaning. People are no longer drawn together by their oppression, united against a common enemy, or bound by a shared cultural history. In place of solidarity, they aspire to occupy a superior position to their peers, or at least to differentiate themselves from them, to assert their individuality.

In contrast to the previous era in which people formed their sense of self unconsciously by absorbing the cultural forms and behaviours from those around them, Beck and others argue that we live in an era of ‘individualization’ in which we must create our own self, ‘write our own biography’, instead of having it drafted by the circumstances of our birth — our gender, ethnicity and class. This is how the self is created in a society saturated by mass media in which the symbols of achievement and

the characters worthy of emulation appear on the screen and the magazine pages rather than in the local community.

Whether individualization is a blessing or a curse — a final step to personal freedom or being cut adrift from all that is solid — is not the point. The point is that loyalty can no longer be taken as given, that personal relationships and connections to groups are always contingent, and that individuals must now scan the world to decide with whom or what they want to identify. Increasingly, it is to the market — the brands, the images, the cultural associations — that people turn to create themselves. And in this world it is consumption activity, shopping, that becomes the characteristic act. This has had two profound effects on how people think about themselves.

The first is that instead of being products of our life circumstances, individualisation has meant that we have come to accept that we are each responsible for our own lives. For those who succeed in socially sanctioned ways this means that they can feel justified at their own efforts and duly rewarded for their dedication, determination and superior character. It absolves them of any need to feel compassion for those who have failed, for their failures can only reflect a lack of character. For those who do not succeed, their disappointment must be internalised rather than blamed on the bosses, the schools, the government, or ‘the class system’. In this world, social problems become individual failures, a process that has a profoundly conservative political effect.

The second effect is that the replacement of class-based stratification by a myriad of individual life stories has, paradoxically, a homogenizing effect; for the identities that can be created out of the products provided by the market are not invented autonomously by those who adopt them, but manufactured by popular culture which in turn is controlled and co-opted by marketing.

Because consumer capitalism and neoliberal ideology have succeeded so spectacularly at creating the impression that each of us is a true individual, popular commitment to social justice has declined. Citizens of affluent countries are much less likely now than three decades ago to have sympathy for the poor, and much more likely to attribute their disadvantage to the personal inadequacies of those so afflicted.

The politics of wellbeing

So the world that gave rise to social democracy as a political ideology is no more. The clear divide between class interests, the emphasis on regulating the economy to promote social justice, the solidarity that bound working people together politically and culturally are gone. Instead, we have a society dominated by affluence, individualism, the obligation to find a self-identity and an ideology of personal responsibility.

This does not mean that poverty and disadvantage have been abolished and that the circumstances of the poor and dispossessed do not matter. But the deprivation model cannot provide the basis for a politics of social change in a society characterised by affluence, and the continuing focus on the conditions of those who have not enjoyed the benefits of affluence is counter-productive.

It must be admitted that three decades of neoliberalism have seen an unprecedented increase in individualism and preoccupation with self on the part of citizens of affluent countries, severely eroding the emotional appeal of social democratic values. Thus we do not lack the ability to solve poverty and disadvantage, we lack the willingness. And the unrelenting emphasis on the economy has only made the bulk of voters more preoccupied with their own circumstances. As we become richer we have become more inclined to blame the victims for their own adversity and less willing to help them out. We will not solve the problem of poverty until we solve the problem of affluence.

The critique of modern consumerism and the marketing society suggests an alternative political philosophy, one centred on promoting wellbeing in a post-growth society. The Wellbeing Manifesto⁷ breaks the link between the economy and our individual and social wellbeing. It thereby challenges the dominance of economics and finance in political life. It dares governments and political parties to break the spell cast by the quarterly national accounts and GDP and to commit themselves instead to improving 'gross domestic happiness'. The philosophy it promotes would give priority to fulfilling work and help citizens to reclaim their time. It would encourage vibrant,

⁷ See www.wellbeingmanifesto.net.

resilient, sustainable communities and help people develop the skills to build stronger family relationships. A politics of wellbeing would wind back the process of commercializing educational institutions and insist that schools and universities be devoted to improving the physical, emotional and moral health of young people, rather than certifying them for the workplace. It would not hesitate to counter the forces that spread growth fetishism, especially the barrage of deceptive marketing. It would recognize when the values of the market intrude into areas of life where they do not belong and—deaf to the self-interested cries for more ‘choice’, ‘development’ and ‘economic freedom’—take measures to exclude them. And the new politics would no longer be tempted to sacrifice the natural world to lift GDP by half a per cent.

The new wellbeing agenda challenges the traditional parties equally because it says that, for all of the economic benefits of free markets, in the end we cannot find true happiness in a shopping centre. It side-steps the traditional left-right debate over who can best manage the economy, and asserts that in rich countries the market has become the enemy rather than the friend of social progress.

The obstacles to the new politics should not be underestimated. Environmentalists have recognised for a long time how difficult it is to ask people to change entrenched consumption habits. The reasons for this should now be clearer from the analysis of the role of consumption I have outlined here – and which are set out more systematically in the ‘Ten theses on consumption’ attached as an appendix. Consumption behaviour and the sense of personal identity are so closely related that a challenge to someone’s consumption behaviour is a challenge to their very sense of self. Appeals to rational self-interest and green moralizing have taken us as far as they can. If it continues to rely on existing campaigning methods, environmentalism is doomed to fail, for most people would sooner consume themselves to death than risk becoming a new person. In a way, we are asking people to kill themselves when we ask them to overcome their addiction to consumption. This fear of self-transformation presents a daunting barrier to environmentalists and Green parties. Socialists who promised to better provide for people’s material needs had an easier task.

It is for this reason that I believe environmentalists need to open up a new front in the campaign to protect the natural world. The limits of appeals to citizens’ reason have

been reached. Instead of arguing that we must change our behaviour to save the natural environment, is it not more effective to ask people whether their high consumption life-styles are actually making them happy? This is the radical question being posed by the new politics of wellbeing.

It is not utopian to believe that citizens of the affluent West can be weaned from obsessive consumption. There are signs that, after decades of intensifying consumerism, many people are beginning to rebel. For example, in Australia around one-fifth of the population has ‘downshifted’ over the last decade; that is, they have voluntarily decided to reduce their incomes and consumption levels.⁸ Similar figures apply in Britain and the US. Downshifters, and their cousins the ‘cultural creatives’, are not for the most part motivated by philosophical reasons but simply want to get some balance back into their lives to devote more time to their families, their health and their passions. They are choosing fulfilment over money or, as I say elsewhere, rich lives instead of lives of riches.

Some people have become so habituated to the ideology of the market they have forgotten the lessons of history: ‘What you propose is all very well,’ they will say, ‘but it can never happen. The forces working against it, including human nature, will prevent it’. The argument that there is no stopping the market ideology is anti-democratic because it insists there are forces that will always overwhelm the preferences of the citizenry and that it is pointless for us collectively to pursue a better society. These are the voices that said the Shah of Iran would never be deposed, that the forces of apartheid were too powerful to be overthrown, and that the Iron Curtain could never be breached.

For people who can imagine nothing more than the present, history has truly ended. If they are right, the future is one in which we accumulate more and more material goods and watch immobilized as all aspects of our personal lives and social worlds are turned over to the market. This dystopian future will be marked by an intensification of all the distress and damage caused by affluenza—unthinking consumerism, fractured relationships, psychological disorders, and mountains of waste — a future in

⁸ For details see C. Hamilton and R. Denniss, *Affluenza*, Allen & Unwin, 2005, Chapter 10.

which our children and grandchildren are condemned to meaningless lives. I don't believe the people will accept such a future.

Ten theses on consumption

The following ten theses or propositions on consumption apply only to affluent countries. The content, meaning and psychological significance of consumption in developing countries are radically different, although the consumption behaviour of rich consumers in poor countries has some of the characteristics described in the theses. The theses — spelt out in more detail in *Growth Fetish* and *Affluenza* — provide the basis for an alternative progressive politics, one that resonates with the life circumstances of citizens of affluent countries.

1. In rich countries, the principal purpose of consumption spending is no longer to satisfy needs but to find and express a personal identity.
2. For a large proportion of consumption behaviour, the act of buying and the act of consuming have become distinct and need to be analysed separately.
3. Marketing, including advertising, is designed to get us to buy, not to consume, and, where possible, prefers us not to consume but to discard.
4. There is an inexorable process of converting wants into ‘needs’ and this results in, and reflects, a ratcheting up of expected standards of living, one in which expectations always stay in advance of incomes.
5. Because of the limits to consumption capacity, this ratcheting up process inevitably results in more waste.
6. The rise in expectations or aspirations puts pressure on people to work longer and harder and this comes at the cost of their personal relationships.
7. Whereas increasing consumption was once necessary to improving wellbeing, in rich countries more consumption is now associated with declining well-being.
8. Improving wellbeing today requires a partial withdrawal from the market and a distancing from its influence, including an active resistance to the market values of materialism, excessive competition, individualism and the money-metric.

9. The trend towards voluntary reduction of incomes and consumption known as downshifting is a reaction against the pressures of consumerism.
10. A shift to a society based on a downshifting ethic and the associated rejection of consumption as the basis of life-style and self-definition is the only way to protect ourselves from severe environmental decline.