Walk the Line: Transformative Practices for Post-growth Consumption & Production
Special Session at Degrowth 2014 in Leipzig | 4 September 2014

Post-growth practices are already developing within business and consumer contexts and influence each other. Production and consumption coevolves in front of a degrowth, post-growth or "transitions" reference frame, with emerging concepts like the sharing of products, collaboration for producing and distributing energy and food, subsistence work and subsistence tools in Fabrication Laboratories, the rise of commons-based thinking and so forth. At the same time traditional companies operating within a classical capitalist setting are hijacking these ideas and turn them into business cases, especially within the so-called sharing economy. Capitalizing the results of post-growth practices e.g. copying a social innovation like carsharing might not harm its potential for transforming the economy in both production and consumption. However, there is a thin line between results and foundations and if the very foundations of post-growth practices are capitalized, they lose their transformative potential e.g. with patents on (new or traditional) seeds or software.

In special session we discussed the following issues in three World Café style roundtables:

| The co-evolutionary relation and mechanisms of post-growth practices between production and consumption.
| How to accelerate these practices and evolve them into becoming transformational for both business (in the widest sense) and consumers (also as active prosumers).
| Where and how to draw the line between a rather helpful market adaptation and diffusion and the destructive capitalization of practices' foundation.

The first input was presented by [Angelika Zahrnt](). For the policy framework to be supportive of post-growth production and consumption, she called for:

| **New Indicators**
  » instead of GDP (at the macroeconomic level) and profit (at the business level)
  » new indicators are needed to change the orientation in the direction of less (less speed, less distance, less property, less market)
| **Right Prices**
  » an ecological tax reform should make energy and resources more expensive and labor cheaper
  » this would favor regional production, higher quality of products, better reparability
| **Reduction of time spent in paid work**
  » gains in productivity should be transformed in gains in time
| **New tax system**
  » a tax system for more equity in income and wealth that would lead to more solidarity, less competition, less status consumption
| **Less advertisement**
  » reducing advertising by changes in the tax system; less advertising in cities, in TV, no advertising addressing children
| **Regulation against planned obsolescence**
  » regulation against planned obsolescence for longer lasting and repairable goods

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Summary Table 1: *Creative Transformation*

André Reichel gave his input talk on "Postgrowth production & consumption: Between capitalism and subsistence". The line to be walked here is between new forms of **cooperative** economic action and established forms of **competitive** economic action. Localized production for subsistency, collaboration and sharing of common-pool resources can be organized with the help of digitalization (IT, mobile internet) – or commercialized via the same means and sharing reduced to a "supermarket" relation between a (distant) producer and a (more or less defined) consumer. Although value creation is, in both cases, depending on the active role of the consumer, real "prosumption" is only taking place in the cooperative framework unless there would be a sharing of value returns including monetary returns in the competitive framework.

André specified cooperative economic action as being based on **reciprocity** and some form of **redistribution** of value, power and decision; on democratic governance in a cooperative culture (note: you don't have to be a cooperative to work like a cooperative); and being, at least partially, autonomous from markets and more oriented to self-sustaining. Competitive economic action, on the other hand, is based on the accumulation and use of (mostly monetary and production) capital under a market governance regime. It follows an **economic logic**, the bedrock of neoliberalism that knows and accepts no other reasoning. Whereas cooperative economic action has a more **local orientation** towards subsistency, sufficiency and civic empowerment, competitive economic action is focused on efficiency, growth, and division of labor. The greatest differences are in their perspectives on economic action itself. In a cooperative framework economic action is carried out with a clear **social orientation**, it has a clear social purpose: to maintain local communities, uphold social cohesion, foster civic and economic democracy, thus turning consumers into citizens. In a competitive framework economic action is carried out with a **purely economic orientation**, with an emphasis on efficient means and instrumentalization. Consumer "democracy" comes before civic democracy.

André posed three questions and hinted on possible answers as a departing point for discussion:

| **How can production and consumption practices become transformative for postgrowth?**
  » Potential for empowerment (doing things with less, do less things)
  » Ethics AND benefit orientation
  » Connecting production and consumption
| **How can they be diffused across society?**
  » Production: connect to strategic hardcore of business
  » Consumption: connect to immediate lifeworlds
  » Lower barriers for collaboration
| **How to prevent these practices from being corrupted in a way that destroys their transformative power?**
  » It's **collaboration**, stupid !!!
  » Value partnerships "in leadership"

The table discussion started with questions on the requirements for transformation and the level at which this transformation could start – individual/firm, industry, society in

general. While there is some work on postgrowth macroeconomics and individual lifestyle change, the meso-level of groups and organizations, also market interaction, appears to be still in its infancy. At the same time different actors have different transformative power resources to set a degrowth agenda on their respective level. It remained unclear however who "should" initiate transformation or set the agenda: actors with most power, actors with the "right" mindset, or unconventional alliances between these actors? The notion of a **cross-sectoral approach** came up in this particular discussion.

Connected to that is the use of language and how we apply semantic frameworks in the transformation discourse on degrowth. This was perceived as a tricky issue. How we talk about things determines our understanding of them and what problem solutions we might find acceptable. Herein lies the risk of falling into the same trap of the existing economic logic/growth paradigm, by adopting a language of that old logic. For example when we talk about the necessity for "scaling up". Scalability of transformative practices and new solutions was generally believed to be a good thing to pursue. However when talking about scalability the table discussants found themselves talking in economic turns: volume, sales, market diffusion. As much as most wanted to see new practices like sharing or collaborating diffuses, thus reducing ecological pressures, this form of looking at scalability might just cross the line between cooperativeness to old-school competitiveness. Can we think differently about scale and scalability? What about a social scale and the possibility to diffuse a certain social organization of how to produce and collaborate? Such a perspective on **social scalability** instead of purely economic scalability fits the new paradigm on scaling, focusing on diffusion of collaborative social innovation approaches.

In turning to business, transformative practices appear to be often rooted in some form of entrepreneurial values behind a start-up. The challenge here was perceived to be maintaining this spirit when scaling up and not becoming corrupted, or corrupting oneself by going mainstream/selling out. There briefly was the idea of **bridging organizations as hybrid institutional set-ups for promoting postgrowth transformation**. This is clearly connected with the notion of cross-sectoral alliances. What remained open was the question for new organizational/legal forms for this: do we all have to turn into cooperatives? Can the shareholder organization be saved from itself? What hybrid forms might be best suited to enable traditional industries to transform? We could not deliver answers to these questions but there was broad consensus for the necessities of **secure spaces for experimentation without the immediate pressure to scale up** – in whatever understanding of that word.

One example for a possible transformation of practices, and a transformative practice in itself, was the merger of collaboration and circular economy. Collaboration, as part of a cooperative economic framework, and the ideas of a circular economy and cradle2cradle approaches would make up an interesting combination: localized (re-)production of products that are part of a larger circular loop, maybe even in combination with some relogistics from traditional companies. A collaborative circular economy might act as an example **how to build larger systems with cross-sectoral alliances** between local initiatives like repair cafés and makerspaces, as well as traditional industries thus enabling those to become transformative and be transformed towards postgrowth while at the same time foster civic engagement and produce social capital (as a side effect) on

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the local level. Scaling up this type of solution would mean to adopt and diffuse a certain type of transformative social organization through and within which practices can change for degrowth.

Summary Table 2: *The Great Escape*

Martin Schweighofer gave an input talk on "Sufficiency practices for post-growth consumption" in which he put an emphasis on everyday practices and sufficiency. His input was based on the notion of consumption as a process, embedded in the dynamics of social practices. In other words: consumption at the one hand is a consequence of how common everyday practices are shaped (for instance does the social practice of daily showering directly link to the energy and water consumption of a private household). On the other hand: the material artifacts constantly proliferating everyday life are not neutral but do shape and pre-structure social life. Consequently, any reduction of material consumption in absolute terms has to be accompanied by a specific transformation of everyday practices. This leaded Martin to a preliminary definition of 'sufficiency practices' as social practices that aim at an absolute reduction of material consumption. To do so there are of course very diverse strategies, two principle categories are: 1) doing things with less (dematerializing existing practices) and 2) doing less things (eliminating social practices that are resource intensive).

Martin highlighted the fact, that today many examples for sufficiency practices can be observed, following different strategies and operating on various levels – e.g. vegetarian/vegan cooking, community gardening, co-housing, car-sharing. Special emphasis was laid on the notion of **'social imaginaries'**, understood as the way ordinary people imagine social reality, i.e. **a common understanding that enables common practices and gives widely shared legitimacy**. Any practice is associated with a social imaginary. Social imaginaries can be either well established and dominant in a societal group or emergent and contested. Imaginaries are potentially struggling – to exemplify Martin proposed two opponent imaginaries:

⎪ Imaginary of **Growth**: efficient, fast, competitive, individualistic, managed risk…
⎪ Imaginary of **Degrowth**: sufficient, slow, collaborative, precautionary, reflexive…

The relation between social practices and social imaginaries can best be understood as co-productive and co-evolutionary. A social imaginary thus provides meaning for practices and strengthens their emergence and reproduction. At the same time enacted practices associated to a certain imaginary do strengthen and carry that particular imaginary further into society.

Accelerating the emergence and diffusion of transformative practices 'protected spaces' with a homogenous social imaginary can be very important – such as an eco-village or transition town. This allows developing sufficiency practices compatible to common understandings and practice systems. In a second step it is all about 'up-scaling', mainly by increasing the potential to spread out practices by extensive emergence. Emergence in this context means the uptake of the sufficiency practice by additional practitioners. For further acceleration the circuit of co-evolution is important: practices as part of a new imaginary help spreading the imaginary, while broadly shared imaginaries make the uptake of additional practitioners easier.

It is exactly here where we walk the line: Linking a sufficiency practice to a social imaginary of growth, can help to accelerate the practice but would further strengthen the dominant growth imaginary, thus practices can be corrupted entirely. Therefore more attention has to be paid to the social imaginaries to which practices are linked. More specifically for sufficiency practices maintaining a strong link to a **reductive social imaginary** is necessary. Sufficiency practices can be manifestations of the main aspects of a reductive imaginary (collaborative, reflexive, precautionary) and vitalize the imaginary itself. Two further aspects need to be considered walking the line: 1) paying attention to 'rebound effects' that might occur if we try to absolutely reduce aggregate resource consumption by up-scaling new practices and 2) a permanent reflection of intended and especially unintended consequences of social practices.

At the round table of the world café the overall question was "**How to Mainstream Sufficiency Practices for Post-Growth Consumption?**" A series of aspects has been discussed intensively in two sessions. The discussion started with the question "Eco-Village or Transition Towns: Where can transformation begin, where can it change reality sustainably?" Here the group identified a dilemma, as on the one hand it is important to have separated 'islands' operating as protected spaces that allow to develop innovative, even radical new practices and associated social imaginaries. On the other hand might the substantial distance between an eco-villages and the social mainstream (including dominant social imaginaries) hinder a diffusion of sufficiency practices. Regarding the diffusion of practices outside the 'protected spaces' it was highlighted that in the process of diffusion practices might change substantially. That means: while it may have been the initial idea of many representatives of eco-villages, they do not necessarily believe any more that their practices and experiences can simply be copied and up-scaled by means of replication. Instead the metaphor of a pioneer plant was used: pioneer practices prepare the ground for the next generation of transformative practices, which can be structured very differently.

After having discussed the 'critical mass' needed to develop a set of practices out of the niche, the next question was "Who is charge here? Who are the specific stakeholders to develop and promote sufficiency practices?" Finally this question was reframed in a more fundamental conflict, whether to induce change **top-down (policy makers and global frameworks, marked based innovations)** or **bottom-up (grassroots movements and social innovations)**. Clearly both aspects are important and both approaches have to be combined, as it seemed inappropriate to work only on a local level in order to develop alternative small-scale practices, while on the other hand TTIP is negotiated or China does build new coal fired power plants extensively. Especially considering the urgency of action with regard to climate change or biodiversity it seems not (fast) enough to solely develop alternative practices bottom-up. At the same time the importance of bottom-up approaches and grassroots movements was underlined repeatedly throughout the sessions. Linked to this discussion was the question "What is the role of an individual consumer, as we discuss about common practices, shared in a society". While the group agreed that as a carrier of practices the individual has a certain agency and responsibility, it was mentioned that the 'motivation' is very difficult. Among other reasons, because many individuals do not see their responsibility – although they would be willing to consume differently they do not understand the consequences of their social practices and related consumption. While this is partly a matter of

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complexity in systems of provision, the **lack of motivation could be overcome by linking change to culture (art), music and events**. Referring to the key note of Hartmut Rosa, increasing the resonance is crucial, which could be managed by linking change movements to art – as an example Woodstock was mentioned. In general, instead of using the index finger, more cultural related approaches were identified to be more fruitful. It creates more dynamics to talk about and experiment with the good life (buen vivir) instead of focusing on collapse, catastrophe and individual threats. Discussing again the role of the individual consumers, mental barriers where highlighted (internal mental infrastructure that reflects external culture) – consequently in addition to the important role of education, the group agreed to the importance of challenging the hegemonic culture (of growth).

Generally the 'framework conditions' played a central role in the discussion: such as sufficiency politics (as introduced by Angelika Zahrnt) or moments of disruption and crisis (such as the financial crisis and the uprising social movements in Spain). Finally the discussion was focusing on the role of experts (the solutions are more and more delegated to experts) and hence the importance of science and knowledge production in the transformation of social practices from growth to degrowth. The discussion of the concept of social imaginary was fruitful in so far as the importance of taking a bigger social order into account was underlined. At the same time it remained a difficult and partially unanswered question how exactly to change and use cultural environments or social imaginaries to induce, steer and govern necessary change.

Summary Table 3: *Against all ads*

As the last speaker, Jana Gebauer introduced her perspective on "alternative" entrepreneurial actors such as sustainability driven small and medium-sized companies (SMEs) and all those initiatives which position themselves in various economic or entrepreneurial movements like solidarity, collective, common good or associative economy and social entrepreneurship. Although these entrepreneurial actors differ in many ways, they share essential positions and intentions with respect to, first and foremost, a responsible and collaborative business conduct and a broader transformative claim: to change the way of doing business and to act against all ads that try to sell the idea that only profit-driven and growth-focused companies prove themselves socially valuable.

"Alternative" businesses also pursue an "alternative" business conduct. Even though social, environmental, cultural and economic aspects might be weighted differently, responsibility, as a basic ethical quality, forms an integral part of their entrepreneurial self-conception. This applies to their internal as well as external processes, qualities and relations. While "conventional" companies are often criticized for constantly stimulating additional demand for their products and services, "alternative" entrepreneurial actors, for example, strive to meet real and urgent, yet unmet, needs and to provide solutions to social, environmental or economic problems of global or local relevance. Economic value creation is therefore not an end in itself but blended with the **prevention of negative externalities and the creation of social and environmental added value**. Fair and long-term relations with business partners, as another component of this business conduct, build on co-generating the blended value instead of beating down prices and exacerbating the devaluation of upstream products and services. **Alternative**

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entrepreneurial actors translate a basic claim for purpose, collaboration and regional embeddedness into mission-driven alliances and partnerships along the value chain. In doing so, they do not only leverage key assets, capabilities, and resources of the involved parties. They also take a more or less critical and explicit stance on the current political-economic system with its focus on economic competition, devaluation, and growth. All things considered, alternative entrepreneurial actors seem to be supportive of transformation processes towards a post-growth economy.

Pouring some cold water on the transformative matter, these actors do often stay within their niches and communities and focus on sustaining the business conduct and the existence of their own and like-minded organizations. But as mentioned above: innovative and promising ideas, practices and products are very likely to be taken over and turned into a conventional large-scale business case by growth-focused entrepreneurs. In order to moderate an expectable watering-down of alternative business models, continuous innovation and a systematic scaling approach are necessary but should not only focus on the very idea, practice or product and it's mainstreaming. Instead, the idea, practice or product **has to be integrated into a cohesive and compelling bundle along with an alternative business conduct and its responsible and collaborative claims**. This bundle will then be offered by an authentic entrepreneur with a clear-cut mission, history and community. For that to be successful, the existing niches and communities are very necessary as the 'protected spaces' mentioned by Martin, but they are not sufficient. To fight against risks of hijacking and capitalizing alternative, post-growth practices, a transformative approach alongside with the responsible and collaborative business conduct seems to be necessary.

There are, indeed, businesses which pursue this broader transformative approach. They shape the political, economic and cultural environment in a way that could support far reaching changes in production and consumption patterns. They are engaged in political activism and lobbying, information, education and consulting, negotiating industry standards and agreements, establishing networks and learning platforms, etc. They thus proactively influence regulation and incentive structures as well as the perceptions, values and beliefs of business and the public; they generate and disseminate knowledge and practices and substantially push forward ideas of what is possible and thinkable. In other words, they follow the **new paradigm of scaling**, a term that is used in NGO and social entrepreneurship contexts to label scaling approaches that—in marked contrast to organizational growth—**build on collaboration and shaping the conditions for a large-scale diffusion of social and environmental innovations as well as transformative practices**. Of course, there is a challenge to that: such transformative entrepreneurs invest a lot (esp. personnel and time) at their own cost and risk and without knowing whether or not (and when) their investment will actually bring about both the broader transformative effects as well as the above mentioned blended value for the organization itself and its stakeholders-cum-partners.

The round table discussion therefore focused on challenges and strategies of alternative entrepreneurial actors with post-growth ambitions. A fundamental challenge for these actors is—relating to what André explained in his input—to survive in a competitive setting without compromising their cooperative culture: Even though alternative entrepreneurial actors often position themselves in market niches or less profit-driven

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sectors, they still act within a generally competitive political-economic setting. While there are risks that might come along with the economic success of an innovative business conduct and business model, such as take-over, mission drift, or loss of the initial communities and groups of customers, it might be even more likely that the constant need to invest—e.g. in communicating and defending the business conduct, in changing business and consumer expectations and routines—might overstrain the organizations' capacities. Hence, these actors often put their internal and relational qualities as well as their own organizational development and survival at risk.

The discussants were then formulating ideas for how to deal with some of the challenges. The entrepreneurs should, first of all, stay true to themselves 'against all ads' and prove themselves authentic and consistent. They should also build close relationships with their consumers to identify their true needs and to find effective ways to break prominent pro-growth routines. End-consumers should therefore be addressed directly and not only via retailers or distributors. Here, the experience of ALUC, an upcycling fashion label, served as a good example: ALUC used a crowdfunding campaign to communicate directly to potential funders-cum-consumers. In this case, linking financing and communication also proved to be a good way of cutting marketing expenses. As the discussants added, an overall reduction of advertisement or marketing expenses (e.g. via regulation) could additionally level the playing field in favor of emerging post-growth companies.

Another topic of the discussion was if the structures by which profits are privatized should be avoided so that the reinvestment of profit appears as a rule. As a participant put it: it is very inefficient having shareholders withdraw the profit from a business. Also, a new narrative should emerge that would allow for a positive interpretation of certain post-growth-features – for example: smaller organizations tend to be **more flexible and resilient** than larger ones. Flexibility and resilience, however, need to be ensured. Here, alternative ways of financing the business could be supportive since yield expectations of financiers strongly determine the growth pressure that is put or not put onto the business. Flexibility and resilience could also be ensured more easily, if consumer-related concepts of leasing and sharing are introduced more broadly to the business sector. For example, (rotational) co-using of machineries, facilities or premises could reduce the pressure to constantly ensure production at full capacity. **Co-using, joint machinery pools and leasing could also be components of a controlled exit strategy** since alternative, post-growth entrepreneurs should, by all means, avoid switching from "inventing solutions" to merely "inventing needs" only to ensure business continuity.

Alliances and collaboration—with like-minded actors within but also also across sectors and communities—was generally seen as a centerpiece of any post-growth positioning in order to shape and sustain scopes for action. This should also allow for necessary and promising mutual learning processes between various groups of alternative entrepreneurial actors, e.g. "new" post-growth initiatives or entrepreneurs and "old" sustainability driven, non-growing SMEs.

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Take-Aways and Food for Transformative Thinking

| *Beyond economics*: blending a social orientation and the collaborative creation of social and environmental added value with entrepreneurial action.

| *Cross-sectoral alliances*: hybrid institutional settings between business and civil society, between local and global levels of production and governance, between producers and consumers as co-creators of economic, social and ecological value.

| *Social scalability*: new paradigm of scaling-up building on collaboration and focusing the diffusion of new types of social organization for meeting needs.

| *Protect and survive*: creating protected spaces for social experiments and connect them to 'translation' actors (i.e. cross-sectoral hybrids) for social upscaling.

| *Collaborative creation*: sharing, joining and collaborating as controlled exit strategies for a postgrowth economy.

| *Transformative imaginaries*: connecting common understandings about the legitimacy of practices to transformative narratives beyond economics – money talks but imaginaries sing!

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