Slowing the roll: Why slowing economic growth is a good thing for the people and the environment

Joe Whelan

For a virus which was only being whispered about a few short months ago, COVID-19, Coronavirus is now firmly enmeshed in the collective imagination. As a result, changes have happened, and are continuing to happen rapidly, changes to business as usual, changes to the distribution of resources and changes to the social contract which is being rewritten daily. The social safety net is also being expanded as emergency welfare payments are being rolled out across jurisdictions.

To give just one example, Ireland, where the author is based, has seen the introduction of a ‘COVID-19 Pandemic Unemployment Payment’ for those whose employment is disrupted by the crisis. Other measures introduced under emergency legislation include, amendments to the Residential Tenancies Act to prevent evictions and rent increases for private renters during the period of the crisis. On the owner-occupier side of things, The Banking and Payments Federation of Ireland is offering a payment ‘break’ to affected customers for up to three months and has adjourned all court proceedings for the same period. Many more measures, from both government and civil society, will undoubtedly be needed as unemployment is expected to rise to levels exceeding 10% in the coming weeks and months.

The upshot of all of this is that domestic economies, and therefore the global economy under its standard mode of operation, are now substantially threatened; particularly in respect to previously projected levels of economic growth, which, like many other short to medium term plans and forecasts, are now consigned to the bin of history.

Of course, in popular and political discourse, there is an acceptance that this is a universally bad thing. If economic growth, that most revered and simultaneously feared of economic concepts, is slowing, soon it may stop, then it may shrink. Undoubtedly this will have the priests and priestesses of orthodox economics in a state of high panic. This is not surprising as, for orthodox economists, sustaining and maintaining economic growth is the only show in town. In fact, the valuing of economic growth, far from the being the monopoly of economists only, is almost unanimously seen as positive. Politicians promise it to get and stay elected and people in general appear to desire it on the understanding that continued growth in economic activity will be good for everyone. In practice however, the redistribution that comes from economic growth seldom reaches those who hope for and need it most. Shit rolls downhill, money and prosperity, not so much. Politicians promise it to get and stay elected and people in general appear to desire it on the understanding that continued growth in economic activity will be good for everyone.

In practice however, the redistribution that comes from economic growth seldom reaches those who hope for and need it most. Shit rolls downhill, money and prosperity, not so much. This does not need to be proved, just ask yourself, is the current model of economy seen in the global north and predicated on constant growth, really working for the vast majority of the people? If your answer is honest, it has to be no. If you need convincing then just look at a recent Oxfam report which states that:

Economic inequality is out of control. In 2019, the world’s billionaires, only 2,153 people, had more wealth than 4.6 billion people.
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