

Fourth International Conference on Degrowth for Ecological Sustainability and Social Equity

No good life in a bad life?

Experiences of degrowth-orientated actors in a growth economy

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Jasmin Wiefek & Bernd Sommer



"Growth-Neutral Companies"...

- Small and medium-sized businesses
- Maximization of sales and profits is no prime corporate goal
- Fair payment, high quality of work and a production process of high-quality products that minimizes negative impacts on people and the environment

(Liesen et al. 2013, with reference to Bakker et al. 1999)



Empirical Basis

13 semi-structured interviews with representatives from

11 Austrian, German and Swiss companies

"From Niche to Mainstream. How to establish good examples of sustainable practices in society" (June 2013 - July 2014)



Stories from the database of the foundation **FUTURE**PERFECT



Focus on (1) beneficial factors for activities, (2) barriers on the individual and social level and (3) ways to overcome them.



Types of "growth-neutral" companies

- established
- new & profitable
- new & financially precarious
- consumer-producer-communities







"established"





"new & profitable"





"new & financially precarious"





"consumer-producercommunities"





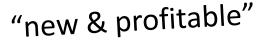






Märkisches Landbrot:

- bakery
- founded in the early 1980s
- 49 employees
- local and organic products, house-own mill, PV & own water supply system
- financially stable, good salaries, profitable
- economics for the common good report ("Gemeinwohlökonomie-Bilanz")







Rad Hof Erfurt:

- hotel, preferably for tourists on bikes
- founded in 2006
- 2 persons (= founders)
- prefer local and organic food, ecological house complex, PV, gave up on car
- financially stable and low profits
- economics for the common good report ("Gemeinwohlökonomie-Bilanz")



"new & financially precarious"

NeptuTherm:

- natural insulation material
- founded in 2010
- one-man business
- low energy transport & production
- unpaid work, non-profitable, side-jobs required





"consumer-producercommunities"

TAG WERK

Kartoffelkombinat:

- community-supported-agriculture (CSA)
- founded in 2012
- 6 employees, 450 households as cooperation members
- organic and low energy production
- unpaid work, non-profitable, side-jobs required



"growth-neutral" companies: further characteristics

- limited use of advertisement
- public relations with educational purpose
- transparent supply chains
- no intermediaries
- small salary range

"growth-neutral" companies: barriers, resources & strategies

Barriers I



no externalization of costs

organic / local production, fair-trade

"We have principles, we want to sell organic products from a limited region of small farmers and the obstacle is that large structures emerge that produce much cheaper and can offer for cheaper."

- > cost-intensive production
- > high prizes
- > not competitive on the market
- > not profitable



Barriers II

"self-made entrepreneurs"

 actors work in fields without field-specific education, lack of knowledge / expertise

"Incompetence on my part. (...) If something takes longer, it's because I do not manage it well or because I have to search longer. So I think to myself often, that someone else could do much better than me. But the problem is: they do not make it."

- > inefficient work-processes
- > miss-investments



Barriers III

limited growth on purpose

- decision to keep the enterprise small
- political / economical framework and incentives foster growth
- privileges for big enterprises often gain more political support
- > disadvantages for small companies



Resources & Strategies I

"organic" growth of the company

limited growth of production, customers, employees

"But we are developing at the speed that is appropriate, to give the matter - so to speak - sense."

— > avoiding diseconomies of scale

atmospheric consequences, costs for additional administrative work are higher than potentials for cost reductions, (see Liesen et al. 2013); economical risks



Resources & Strategies II

to act within a niche

high-quality, long living, reparable products

"We have a good customer base who is loyal to us and continue to buy our products, although these are more expensive than in the supermarket or organic in discount stores."

 - > serve the high-price segment, offer ethical alternatives for interested groups



Resources & Strategies III

social capital

volunteers, supporters, networking

"It is still a lot of family work in the project - sister and brother in law take care of the organization of orders and financial issues, the brother is in charge of the website."

- > compensation of missing financial capital by social capital



Growth and Social Differentiation vs. De-Growth and De-Differentiation?

Prelimenary Thoughts



Thank you!

www.norberteliascenter.de



References

Liesen, Andrea / Dietsche, Christian / Gebauer, Jana (2013): Wachstumsneutrale Unternehmen. Pilotstudie zur Unternehmensperspektive im Postwachstumsdiskurs. Schriftenreihe des IÖW, 205/13. Berlin.