

Sustainable employment in a non-growth oriented economy

Alexandra Köves^{1,*}, György Pataki^{1,2}, Gábor Király^{1,3} and Bálint Balázs²

¹ Corvinus University of Budapest, Hungary; ² Environmental Social Science Research Group, Budapest, Hungary; ³ Budapest Business School, Hungary*

* Author to whom correspondence should be addressed: alexandra.koves@uni-corvinus.hu

Research background

In recent years, debates have strongly resurfaced whether it is at all possible to approach sustainability within an economic, social and political system that places the idea of growth in the centre of attention. Many envision – including the present authors – that solutions to such complex issues can now only be handled by finding suitable transition paths to alternative paradigms and institutional settings moving beyond the concept of economic growth. The idea of a steady-state or de-growth economy does not project the idea of a stationary state (Daly, 1977; Kallis et al, 2012). In such an economy, the combination and ratio of the four value-producing capitals (natural, social, human, and man-made) would also be continuously changing, only welfare would rely more on the qualitative gratification and less on the quantitative expansion of material and energy-intensive transformations. However, the most challenging question is how this transition from our current economic paradigm to a non-growth oriented economy can take place and what policy measures may support this transition.

This brief is based on the experience and results of a backcasting research project conducted in Hungary in 2012-2013¹. Backcasting is a preferred method in transition management – particularly with regard to sustainability issues – as it facilitates the deliberation of complex socio-economic issues

and enables participants to think freely outside the realms of present cognitive frames and still find adequate, future-oriented policy answers (Robinson et al, 2011). As opposed to the extrapolation of the present trends used in forecasting, backcasting starts with the establishment of a normative vision of the future and tracks its way back from this vision to currently feasible policies providing a bridge between the desired future and the present state. In the case of this particular Hungarian backcasting exercise sustainable employment scenarios were developed and policy recommendations were determined for reaching such a desired future (Köves et al, 2013a; Köves et al, 2013b).

The topic of employment is highly topical; includes economic, social, individual and technological perspectives; therefore it constitutes a highly complex issue requiring a systems perspective. On the one hand, sustainable employment became quite a buzzword without much academic literature and clarification of scientific terminology. On the other hand, in most cases when sustainability is on the agenda, the issue of employment comes up either directly or indirectly. The results of the research reported here contributes to the extant scientific literature on sustainable but also entails clear policy recommendations for sustainability transition in the sphere of work.

The vision of sustainable employment

The research project covered two backcasting workshops: one with a panel of 17 experts representing different sectors (academia, business, civil society organisations, public

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administration) with considerable experience in employment issues; and another group of 14 master students of environmental economics and human ecology. When the two groups with participants from dissimilar backgrounds and age groups were provided

the opportunity to envision “the future we want in the world of work in 2050”, they constructed surprisingly similar answers. As the vision covered a wide array of topics that is beyond the scope of this brief, the following figure provides an overview of this vision.



Figure 1: An overview of the vision of sustainable employment in 2050²

² The figure appeared as a poster in the 10th Biannual Conference of the European Society for Ecological Economics: Ecological Economics and Institutional Dynamics (Lille, France; 18-21 June 2013)

The vision established bears considerable resemblance to those ideas that are present in social green economic literature (e.g. redefinition of human needs; re-establishment of community ties; restoration of work-life balance; support of ecolocalism). In the vision well-being is by no means solely dependent on material consumption but more importantly relies on our access to a healthy environment as well as meaningful work. The vision seems to reproduce the results of 'happiness research', namely that human happiness is based on three main components: positive emotions, meaningful life and profound activities. As the world of work is strongly related to all three, it is barely surprising that most concepts revolved around the redefinition of work to maximise the gains in these components through "good work". Gardner, Csíkszentmihályi and Damon (2001) identify four key factors in laying the foundations of "good work" in the times we live in: development, ethics, democracy and education, all of which areas were reflected upon in the vision.

The redefinition of human needs facilitates the redefinition of work. Employment does

not entail just a 40-hour paid working week but the concept of mixed work becomes widely accepted. The concept of mixed work means that paid employment is complemented by non-monetised, non-institutionalised work that has the purpose of serving personal self-realisation and advancing community goals. Hence, working for and locally within the community is not just a voluntary undertaking on the peripheries of the economy but a crucial part of it. Sustainable employment cuts its chords with the mainstream ideals of full employment, limitless globalisation and mobility and places itself in the conceptual network of local communities. This way environmental and employment goals can work alongside each other rather than in continuous confrontation.

Policy recommendations

The research contained a high number of policy recommendations. (Participants in the two panels identified altogether 157 recommended policy steps.) The following chart is a systems map that provides an overview of the logic of interventions underlying these recommendations.

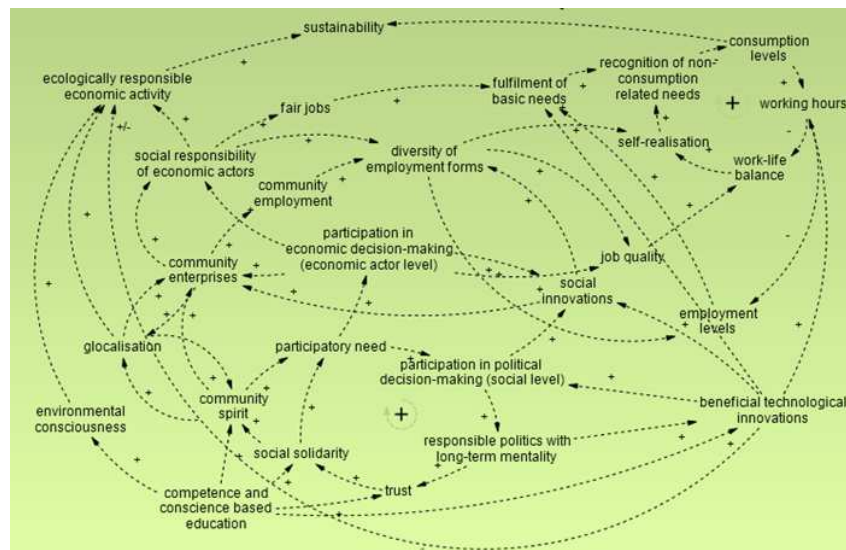


Figure 2: Causal loop diagram of sustainable employment based on both panels' recommendations

Policy recommendations covered all the concepts that are represented in this map. However, the most important entry points in this system are the following: recognition of non-consumption related needs (strongly related with the fulfilment of basic needs); diversity of employment forms; ecologically and socially responsible economic actors; community spirit and competence and conscience based education.

As people recognise that their valid needs cannot be fulfilled merely through consumption, consumption levels drop that can lead to reduced working hours. It is, however important that in case of those people whose basic needs are not satisfied, this realisation can only occur once the level of fulfilment of these needs are covered. This is the reason why the policy tool of the guaranteed basic income occurred in both panels.

Self-realisation can be supported through the diversification of employment forms where most people can find the solution that suits their personalities, capabilities and life stages best. Both the diversity of employment forms and reduced working hours can help employment levels by enabling more people to work in one form or another. Having access to different types of employment also has a direct impact on job quality that can also enhance work-life balance. Hence, broadening the available forms of employment was an important area of intervention. Related recommendations ranged from strengthening already existing policies such as introducing flexible employment arrangements (e.g. telework, flexitime), through setting the legislative framework right for existing but currently semi-illegal activities (such as barter, or local exchange and trading systems), to recommendations that would institutionalise best practices such as

voucher systems or employment cards. This kind of diversity can be further supported by social innovations.

The intervention area that received the most number of recommendations was encouraging economic actors to become ecologically and socially responsible through direct legislative and financial incentives such as standards, guidelines, bans, tax burdens or tax cuts as well as awareness-raising activities. Globalisation also supports this endeavour as it relies on the healthy balance between local resources and local production. Hence, policy interventions on globalisation issues also received significant attention ranging broadly from prioritising local products in commerce and public tenders through strengthening local networks to innovative measures such as paying incomes in local currencies. Participants also put a great deal of emphasis on dialogue between social partners and corporate management or encouraged employee ownership schemes. These types of participatory approaches in the economic sphere also encourage the establishment of community enterprises.

Community spirit also seems to have an important role in the system of sustainable employment. As well as supporting globalisation, it raises the need to participate on both political/social and economic/firm levels, the latter leading to more socially responsible economic actions and the other leading to a positive feedback loop of responsible politics with a long-term perspective, enhancement of social trust capital, and raising levels of social solidarity. The creation of adequate community spaces and occasions and raising awareness of how human interdependence is not only necessary but part of social life received considerable emphasis among policy recommendations. The role of education is also crucial in this

loop and received immense attention in both groups and moved well beyond the commonly accepted role that competence based education leads to better equipped employees to enter the job market. It was the responsibility of education to raise awareness, environmental and social consciousness, and build trust in society that was stressed.

The research results indicate that thinking about sustainable employment in the departmentalised policy environment we live in would not lead to satisfactory results. Sustainable employment is not just about the supply and demand side of the labour-market in green shading. It is ultimately about how we define work and organise social institutions.

Literature

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