

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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“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
FUTUREPERFECT



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



REMEI AG



“established”



“new & profitable”



“new & financially precarious”



“consumer-producer-communities”



REMEI AG



“established”

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 (“Gemeinwohloökonomie-Bilanz”)



“new & profitable”

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-producer-
communities”



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?

Preliminary Thoughts

Thank you!

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References

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