Book Section:
Büchs, M. orcid.org/0000-0001-6304-3196 (2024) How to balance sustainability and social policy? In: Handbook on the Political Economy of Social Policy. Edward Elgar Publishing , Cheltenham, UK , pp. 296-308. ISBN 9781035306480

https://doi.org/10.4337/9781035306497.00031

Author's accepted manuscript:

Büchs, Milena (2024). How to balance sustainability and social policy? In B. Greve, A. Moreira, & M. van Gerven (Eds.), *Handbook on the Political Economy of Social Policy* (pp. 269-308). Edward Elgar

Chapter 24: How to balance sustainability and social policy?

Milena Büchs

Abstract

Global ecological crises are accelerating, threatening livelihoods and increasing inequalities in many parts of the world. An important question for the social policy literature is how it can consider ecological issues and whether there is conflict or synergy between social and ecological objectives. This chapter will discuss how sustainability and social policy can be balanced by improving social outcomes of environmental policies and by making social policies, and welfare states as a whole, more environmentally beneficial. It will also consider the role of actors and interest groups within social-ecological policy. While there are various potential tensions between ecological and social policies, the chapter argues that there are options for promoting both of them jointly. However, the chapter does acknowledge the challenges inherent in transitioning towards sustainable welfare which relate to the need to fundamentally transform the current economic system and the power and interest constellations embedded in it.

Keywords: Social-ecological Policy; Sustainable Welfare; Postgrowth; Ecological Crisis; Climate Change

Author ORCID: 0000-0001-6304-3196

Biographical paragraph

Milena Büchs is Professor of Sustainable Welfare at the Sustainability Research Institute, University of Leeds, UK. Milena's research focuses on sustainable welfare and just transitions. She is currently Co-I of the Horizon Europe funded project "Towards a Sustainable Wellbeing Economy" (2023-2026). Prior to joining the University of Leeds in 2016, she was a Lecturer and Associate Professor in Sociology and Social Policy at the University of Southampton (2005-2016).

Introduction

Humanity is facing rapidly aggravating ecological crises in the form of climate change impacts, biodiversity loss and the crossing of other "planetary boundaries" (IPCC, 2022b);(Steffen, Richardson, et al., 2015; United Nations, 2019: 19). For a long time, social policy scholarship was not very concerned with sustainability issues. When global environmental problems received increased

attention following the 1992 United Nations (UN) Earth Summit in Rio de Janeiro, first publications on links between sustainability and social policy began to emerge (Cahill, 2002; Gough et al., 2008), even though without much impact on mainstream social policy scholarship at the time. However, this situation is now starting to shift, indicated by a rising number of publications on the relationships between ecological and social policy issues, including on social-ecological or eco-social policy and sustainable welfare (Büchs & Koch, 2017; Gough, 2017; Kaasch & Schulze Waltrup, 2021; Koch, 2022; Mandelli, 2022), just transitions (Galgóczi, 2020; Morena et al., 2020), climate and energy justice (McCauley et al., 2019; Schlosberg & Collins, 2014), energy poverty, and related topics (Bouzarovski et al., 2021; Simcock et al., 2021).

An important, overarching question for this literature is whether there is conflict or synergy between environmental sustainability and social policy. Do environmental policies have adverse welfare and distributional impacts and do social policies contribute to environmental damage? Or can environmental and social policies be designed such that both objectives are supported simultaneously? An important argument for searching for policy approaches that support both ecological and social objectives is that these objectives are interdependent in the long run: staying within planetary boundaries is a prerequisite for safeguarding social welfare in the future and for reducing climate-induced inequalities. At the same time, reducing inequality and meeting everyone's needs are conditions for attaining a successful ecological transition. To tackle the current climate and ecological emergency requires radical policies, but policy makers will be hesitant to introduce such policies if citizens do not support them. Increasing the social benefits of these policies and making them more inclusive is likely to generate greater public support for them. In essence, it can be argued that ecological policies need to be fair and contribute to social goals, and social policies need to be assessed regarding their environmental impacts. Some approaches that are being proposed in the social-ecological and sustainable welfare literature fundamentally challenge the current economic system. It is therefore important to highlight that a more fundamental transformation to economic and policy approaches that combine social and environmental objectives faces considerable barriers to implementation given the set-up of the current economic system and related power asymmetries.

This chapter will discuss how sustainability and social policy can be balanced. First, it will discuss how social outcomes of environmental policies can be improved, and second, how social policies, and welfare states as a whole, can be made more environmentally beneficial. The last section will discuss the role of actors and interest groups within this field.

Improving social outcomes of environmental policies

Social and environmental issues are closely linked and all environmental issues have a social dimension. To give an example, climate change has social and justice implications related to impacts, responsibility, capacity and cost (Martin et al., 2021: 7). Climate change has greater impacts on disadvantaged groups and countries while these disadvantaged groups and countries have the lowest capacity to mitigate or adapt to climate change and they are often hardest hit by the cost of climate change mitigation (ibid.). These inequalities can be considered unfair given that poorer countries and poorer people have contributed less to climate change. For instance, a recent estimate states that 'since 1990, the bottom 50% of the world population has been responsible for only 16% of all emissions growth, whereas the top 1% has been responsible for 23% of the total' (Chancel, 2022). Globally and within countries, richer people have significantly greater carbon footprints and energy use than poorer people (Chancel, 2022; Ivanova & Wood, 2020; Oswald et al., 2020).

In addition, all environmental policies have social and distributional impacts. Some of these impacts can be regarded as problematic from a distributional justice perspective, e.g. when the costs of environmental policies disadvantage poorer people and benefit mainly richer people. An example are the employment impacts that decarbonisation will have on jobs in high carbon sectors such as fossil-fuel based electricity generation and transport, manufacturing and construction (Galgóczi, 2020; Morena et al., 2020; Newell & Mulvaney, 2013). Just transition approaches emphasise the need for designing processes low carbon transitions processes in ways that support affected workers, for instance through retraining programmes, employment protection and procedural justice (Galgóczi, 2020).

In addition, market-based climate change instruments such as carbon or energy taxes, emission trading schemes, or subsidies for low carbon technologies, often disadvantage poorer people. Taxes on necessities such as domestic gas or electricity have regressive distributional impacts in most rich countries, placing higher tax burdens on poorer than on richer people relative to income (Büchs et al., 2021). Only taxes on 'luxuries' such as air travel have shown to have progressive distributional impacts, burdening richer people more than poorer people. However, while domestic energy is taxed in many countries, aviation fuel for international flights is currently exempt from any tax due to an international agreement from 1944 (Büchs & Mattioli, 2022). The distributional impacts of emission trading schemes very much depend on the design of these. If allocation mechanisms favour high emitters, distributional impacts tend to be regressive (Dirix et al., 2015), while equal per capita schemes tend to be progressive (Burgess, 2016). Subsidies for low energy technologies, for instance feed-in tariffs for solar panels, often also favour richer people because they are more likely to be able to afford the large upfront cost (Grösche & Schröder, 2014). (Bollen et al., 2021)

Overall, it is crucial that adverse impacts of climate policies on poorer and disadvantaged people and countries are minimised and compensated for. The literature has discussed a range of options for achieving this. For instance, regressive distributional impacts of environmental taxes could be compensated by redistributing environmental tax revenues on an equal per capita basis, or by using them to increase social security benefits. Both options have shown to have progressive distributional impacts (Büchs et al., 2021; Owen & Barrett, 2020).

It is important to highlight that some environmental policies have significant positive social co-benefits, and these would need to be enhanced from a social policy perspective. For instance, expanding (access to) greenspaces, which have important benefits for biodiversity and climate protection, has shown to have multiple positive impacts on people's physical and mental health, as well as community relations (Hartig et al., 2014). In addition, there is a significant body of literature currently emerging on the 'co-benefits' of climate action and energy demand reduction (Finn & Brockway, 2023). An example for a co-benefit of climate mitigation is that reducing the number of cars on the roads significantly decreases air pollution which is associated with a range of health issues such as respiratory problems, heart disease, strokes and cancers, and associated rates of excess deaths (Williams et al., 2018). While electric cars would reduce particles from fuel exhausts, they would still present a challenge for air pollution as a large part of particulate matter pollution originates from car tyres, brakes and street surfaces (Piscitello et al., 2021).

However, some scholars and policy makers are concerned about wider negative welfare effects from climate mitigation policies. Their concerns is that radical climate change mitigation could reduce economic growth which remains the most widely used measure of welfare within mainstream economics and policy-making. While conventional economic theory sought to explain economic growth with capital and labour, these two factors left a large part of historical economic growth unexplained (Ayres & Warr, 2010). More recent developments in economic theory and modelling

find that the vast expansion of fossil energy following WWII has played a significant role for economic growth in the second half of the 20th century (ibid.). Further research demonstrates continued close coupling between energy use, associated emissions and economic growth while evidence for the possibility of "green growth" through decoupling of growth from environmental impacts is so far lacking at the global scale (Haberl et al., 2020; Parrique et al., 2019). Radical reductions of fossil fuel energy and associated emissions are therefore likely to limit the capacity for economic growth in the future. What are the implications for welfare and social policy?

Mainstream economists regard a decline in growth, and especially a contraction of the economy, as detrimental for welfare. Growth is seen as the driver for rising living standards and welfare state expansion. Indeed, current welfare spending depends on economic growth (Bailey, 2015; Corlet Walker et al., 2021). Demand for spending increases during economic crises due to rising levels of unemployment, poverty, ill health, etc. If financed through deficit spending, future growth is required to enable governments to repay the debt and interest. Furthermore, societies in most countries in the world are currently 'ageing', leading to a higher proportion of older people in the population. This is leading to increased demand for pensions and health care in the future, for which, it is often argued, future growth is necessary.

However, postgrowth economists argue that wellbeing and welfare states could be made more independent from economic growth. First, they emphasise that human wellbeing crucially depends on functioning earth systems, including the ecosphere and climate system (Rockström et al., 2009; Steffen, Broadgate, et al., 2015). Preventing wider environmental collapse is therefore a pre-condition for welfare in the long-term. In addition, many scholars acknowledge that Gross Domestic Product (GDP) is not a good measure of welfare in the first place (Stiglitz et al., 2011). It includes activities that arise from environmental and social problems such as dealing with the aftermath of environmental disasters, treating chronic illnesses, tackling crime, etc. At the same time, GDP excludes socially and environmentally worthwhile activities that occur outside of the market such as informal care work for children and the elderly, growing food on an allotment, or slow travel. Second, while economic growth is positively associated with life expectancy and education levels, additional growth has little impact on these outcomes beyond a certain level of income (Büchs & Koch, 2017; Gough, 2017).

The emerging sustainable welfare literature also discusses various proposals for ways in which welfare states could be made more growth resilient. 'Sustainable welfare' is here defined as welfare or social policy systems that prioritise the satisfaction of human needs within planetary boundaries over economic growth (Büchs, 2021; Koch, 2022). Proposals for making welfare states more growth resilient include: greater reliance on wealth taxes, working time reduction and redistribution of work, and decoupling of work and welfare, and taking a preventative approach.

Taxes on wealth, such as on financial assets, property, land, inheritance, natural resources, etc., are thought to make state revenues less dependent on growth because these assets are stocks, not flows, unlike income or consumption which fluctuate more strongly with economic cycles (Büchs et al., 2023). Greater taxation of 'environmental bads' such as emissions or other pollution could also help to fund welfare states, although this option is limited if societies manage to reduce environmental impacts over time (ibid.). At the same time, governments could repurpose current

fossil fuel subsidies and expenditure currently needed to deal with environmental impacts if they successfully tackled the ecological crisis.

Working time reduction and redistribution of work are other, much discussed proposals in the sustainable welfare literature. Postgrowth economies would pose the risk of rising unemployment if technological development continued at current rates. This could be addressed in various ways, including through working time reduction and redistribution of work, in conjunction with expanding sectors with lower potential for productivity increases such as care work, education, the cultural sector and environmental conservation, all of which also have beneficial social and environmental impacts (Mair et al., 2020). Working time reduction and redistribution of work would also make labour markets more inclusive and equitable, and reduce production and consumption and associated environmental impacts (Koch, 2022; Schor, 2005).

Furthermore, many scholars within the sustainable welfare literature have proposed policies that decouple welfare from work (Büchs, 2021; Koch, 2022). Welfare benefits are dependent on labour market participation in most current welfare systems, and this coupling has been strengthened through welfare-to-work and 'activation' policies over the last two or three decades (Serrano Pascual and Magnusson, 2007). In contrast, sustainable welfare policies would focus more on ensuring that everyone's basic needs are met, independent of labour market participation, for instance through basic or minimum income schemes and the provision of universal basic services (Büchs, 2021; Coote & Percy, 2020). The underlying idea is that relaxing the requirement for participation in the formal labour market 'decommodifies labour' and frees up time that people can spend on other socially or ecologically beneficial activities, such as nurturing relationships, care, cultural and ecological conservation work, as well as 'slow' travel and food practices. Policy makers and academics who do not support a more fundamental shift towards sustainable welfare beyond growth may query the feasibility of universal basic income or services schemes, pointing to budget limits. In contrast, proponents highlight that a more fundamental transformation of the economic system would redefine goals and allow the re-allocation of resources away from environmentally destructive and exploitative institutions and activities towards those that support social and ecological wellbeing (Koch, 2022).

Another risk in a postgrowth economy would be rising inequality. Inequality has been rising in many countries, including in Europe and the United States, over the last few decades (Chancel et al., 2022; Piketty, 2014). One reason that the literature identifies is that the rate of return on investment has been higher than the economic growth rate, meaning that the proceeds of growth have mainly benefited capital owners (Piketty, 2014). This could present a problem in a postgrowth economy where growth rates would be stagnant or even negative. However, modelling work has shown that inequality can be kept stable in a postgrowth context through greater redistribution from capital to labour, as well as lower productivity rates (Jackson & Victor, 2016). Sustainable welfare policies would therefore need to advocate the implementation of more redistributive policies, for example through more progressive income and wealth taxation systems, or even the introduction of minimum and maximum incomes as suggested by some authors (Buch-Hansen & Koch, 2019).

Taking a more preventative approach, could also reduce the need for welfare state spending in the first instance. This would be beneficial in a post-growth context. As explained above, capitalist economies tend to lead to increasing inequality if this is not actively prevented through redistributive measures (Jackson & Victor, 2016). Inequality is associated with a range of other social problems such as poorer physical and mental health outcomes, lower education, higher crime rates, etc. (Wilkinson & Pickett, 2009). Higher social inequality also bears the danger of heightened social conflicts and the disruptions that these can imply. Reducing inequality and minimising social and

health problems in the first place by building economic systems that improve these outcomes would therefore reduce the demand for welfare spending and hence make welfare states more growth-resilient.

How social policies can contribute to ecological objectives

To balance sustainability and social policy, it is not only necessary to increase the fairness outcomes of tackling climate change and other ecological emergencies and make these policies more compatible with achieving social outcomes as discussed in the previous section. In addition, social policies and welfare states should also be designed in ways that are more beneficial for tackling these sustainability issues. This section will discuss how social policies can contribute more directly to environmental targets, how welfare states could protect better against environmental impacts, and how welfare states could be designed such that they are more compatible with the aim of staying within planetary boundaries.

First, social policies could be designed such that they contribute more directly to staying within planetary boundaries. This is particularly relevant for education and labour market policies, as well as various benefits and services that have direct impacts on energy use. Just transition policies should not only act retroactively to protect workers in high carbon sectors from job losses, but also proactively to incentivise and support more workers to obtain skills that are suitable for low carbon jobs, e.g. for the renewable energy sector, low carbon travel infrastructures, sustainable urban planning, conservation, etc. Social policies should also contribute to improving or safeguarding the quality of jobs in the green sector in terms of pay and work conditions. This would additionally make green sector jobs attractive to workers and thus help expand these industries. Education policy should increase requirements for sustainability topics to be covered in school curricula. The better educated younger generations are on environmental issues and how they interlink with human wellbeing, the more likely it is that this generation will support transformative action once they move into decision-making roles as adults. Many benefits and services have direct impacts on energy use, especially housing benefits and social housing provision, as well as transport related benefits. These should be designed such that they facilitate the reduction of energy use and associated emissions from housing and transport, e.g. through strict energy efficiency regulations for social housing stocks, targeted subsidies for energy efficiency home retrofits, and subsidised public transport. These suggestions are concurrent with new debates about Universal Basic Services (UBS) which have emerged in recent years (Coote & Percy, 2020; Institute for Global Prosperity, 2017). UBS would offer publicly or collectively provided essential services for everyone, free at the point of use and based on needs. UBS would therefore offer a 'public' or in-kind-income (Coote & Percy, 2020) to everyone through which people can satisfy basic needs. While many countries have UBS in areas such as compulsory education and health care, recent debates have suggested to expand UBS to areas such as energy use and transport, which could be ecologically beneficial through measures mentioned above (Büchs, 2021; Coote & Percy, 2020). Since needs satisfiers are context specific, it is recognised that democratic processes would be required to agree the most resource-efficient ways of needs satisfaction (ibid.)

In the future, welfare states will also need to provide better protection against impacts from climate change. Impacts such as flooding, wild fires, heat waves, and severe storms or hurricanes are set to increase in the future (IPCC, 2022a). Existing insurance and care systems will experience higher demands due to health impacts, damage to homes, work premises, energy, transport and

communication infrastructures, as well job losses. This needs to be factored into the design of social programmes and future funding plans for welfare states.

To better balance sustainability and social policy, welfare states would also need to be redesigned more comprehensively such that they are compatible with the aim to satisfy everyone's needs within planetary boundaries. It can be argued that this is not currently the case since welfare states are designed to support and stabilise growth-based capitalist economies. Post-Marxist welfare state analysis already argued in the 1970s and 1980s that welfare systems play a key role for legitimising and stabilising (growth-oriented) capitalist economies (e.g. Offe, 1984), e.g. by keeping the rise of inequality, poverty and social exclusion in check. Through industrial relations which regulate employment conditions and wage levels, welfare states also support social peace and hence economic stability. Welfare systems also support economic growth by enhancing labour productivity through investments into skills, education and health of the population. Pensions, sickness and unemployment benefits support consumer demand among groups who cannot participate in the labour market, especially during economic crises. Government strategies for achieving economic growth have changed considerably over time; in recent decades, the growth-orientation of welfare states has been articulated in the adoption of 'social investment' approaches which focus on activation, employability and improvements in 'human capital' (Hassel & Palier, 2020).

Sustainable welfare scholars argue that welfare states could better serve the aim of needs satisfaction for all within planetary boundaries by prioritising social and ecological outcomes in policy making and evaluation. Such post-growth governments would no longer pursue economic growth as the main policy goal and instead choose social and ecological criteria to guide decisions about regulation, spending and fiscal matters (Raworth, 2017). The alternative social and ecological priorities and goals would need to be democratically agreed. Some economic sectors would be allowed to grow in this scenario, for instance low-carbon industries, environmental conservation, and care and education, but the overall material throughput and environmental impacts of economic activities would have to decrease. In a sustainable welfare or postgrowth setting, social and ecological performance would not be measured by GDP but through a wider range of social and ecological indicators. Sustainable welfare approaches also imply that decisions at the corporate level would no longer be primarily guided by profit maximisation but by the contribution to democratically agreed social and ecological objectives.

Some of these ideas are already being put into practice. Already in 2007, the European Union has adopted a "Beyond GDP" initiative which supports the development of a broader set of social and environmental indicators to measure social progress. More recently, from 2017 onwards, the government of Finland, Iceland, Scotland, Wales and New Zealand have adopted a "wellbeing economy" approach which seeks to prioritise social and ecological objectives over economic growth (Fioramonti et al., 2022; Hayden & Dasilva, 2022).

Interest groups and actors

Moving towards social-ecological or sustainable welfare approaches that seek to balance sustainability and social policy faces many challenges. The extent of these challenges varies depending on how radical a departure from the status quo different policy proposals represent. Some proposals involve incremental changes and are compatible with current systems of growth-oriented welfare capitalism, while others challenge that status quo more fundamentally and thus face greater barriers to implementation. For instance, schemes that subsidise energy efficiency

home retrofits for vulnerable groups, redistribute revenues from environmental taxes to reduce regressive impacts, or provide social protection and training to support workers in the transition to a greener economy are all compatible with current growth-based systems of welfare capitalism. In contrast, sustainable welfare approaches that advocate the prioritisation of social and ecological objectives over economic growth and profit maximisation in policy-making and business practices challenge the very basis of welfare capitalism. Capitalism inherently relies on and generates economic growth because it continually forces capital owners to accumulate and then reinvest profits to increase productivity to keep up with the competition and survive in the market place (Harvey, 2017). Prioritising social and ecological objectives in decision-making in the public and private sphere therefore constitutes a fundamentally different logic to running the economy, one which would require more democratic input to provisioning. Even though some overlaps exist, interest groups and actors tend to be differently positioned depending on whether or not a policy proposal for balancing sustainability and social policy challenges growth-based capitalism. Even though acceptance of the some of the ecological and social shortcomings of growth-based capitalism is growing among policy-makers and governments, e.g. as demonstrated in rising interest in "beyond growth" approaches within the EU and OECD (Fioramonti et al., 2022; Hayden & Dasilva, 2022; Hoekstra, 2019), the institutional set-up of the current economic system and related entrenched interest groupings present considerable barriers to support for some of the more radical policy proposals discussed in this chapter.

One fundamental type of interest grouping in the field of environmental policy, which is also relevant for the field of social-ecological or sustainable welfare policy, consists of future versus current generations (González-Ricoy & Gosseries, 2016; Page, 2006). In the context of the climate and ecological crisis, it is the quality of life and even liveability on the planet for future generations that is at stake. Safeguarding liveability on the planet for future generations is often seen in conflict with the interests of current generations, especially in the global north, due to required cutbacks in material living standards of those in the global north to achieve climate targets. Unlike most other interest groups, future generations cannot directly represent their interests in policy-making. However, some existing initiatives attempt to strengthen the consideration of future generations' interests in policy-making, for instance the "Wellbeing for Future Generations Act" that was introduced by the National Assembly for Wales in 2015.

Generational conflicts are also live among existing populations where younger generations have a greater stake in preserving liveability on the planet and quality of life compared to older generations, given that younger generations are at greater risk of being affected by the climate and ecological emergencies. These generational conflicts are already visible in social movements such as the global School Strike for Climate, Fridays for Future, and Youth Strike for Climate which evolved since 2018 triggered by a school strike for climate taken by then 15-year old Greta Thunberg in Sweden. While these demonstrations also attracted above-school-age citizens (Noth & Tonzer, 2022), one of the demands of these movements relates to intergenerational justice and more effective action against climate change to safeguard the wellbeing of current young and future generations (Thew et al., 2021).

Interest constellations of workers, employers and governments are complex when it comes to social-ecological and sustainable welfare policies. In contrast to social policy more widely, interests of workers and employers in high carbon sectors are often more aligned with each other, and jointly opposed to those of the government or green non-governmental organisations (NGOs), when it comes to the transition to the green economy (Galgóczi, 2020). Case studies have shown that in several high-carbon sectors, both workers and employers share the interest to preserve the status

quo, against government or green NGO interests who seek to speed up the transition to carbon neutrality to conform to international climate targets (ibid.). Both trade unions and employer organisations are also likely to be opposed against sustainable welfare approaches which advocate a deprioritisation of economic growth and growth-based welfare state designs. For trade unions (and social democratic parties), growth-oriented employment policies and social protection systems are a cornerstone of welfare capitalism that they seek to preserve, while a post-growth orientation is fundamentally opposed against the way in which businesses currently operate. Variations may exist by sector however, as for instance public sector workers and trade unions may be more open to sustainable welfare positions compared to those in the private sector.

The field of social-ecological policy and sustainable welfare is also characterised by a complex set of actors. In recent years, various political actors have adopted positions that support a transition towards social-ecological policy and sustainable welfare. Examples are green political parties, which often include growth-critical wings; international initiatives that promote the adoption of broader indicator sets to measure performance, such as the OECD's and EU's "Beyond Growth" initiatives; the above-mentioned wellbeing economy governments which seek to complement GDP with alternative measures of performance and prioritise social and ecological objectives, or local authorities that have adopted 'doughnut economic' frameworks to prioritise social and ecological objectives in urban planning and performance assessment(for evaluations of some of these initiatives see Hayden & Dasilva, 2022; Hoekstra, 2019). Research and education are important fields of action in this area, given that academia plays an important role for policy advice, and education an important role in the training of future policy makers and business leaders. Professional organisations have been forming, or gained in public visibility, that support the social-ecological and sustainable welfare agendas, such as the European and International Societies for Ecological Economics, and the International "Sustainable Welfare & Eco-social Policy Network". Professional social policy organisations such as the European Network for Social Policy Analysis, increasingly feature conference streams on social-ecological and sustainable welfare topics. Several Universities in the world now offer ecological economics courses (which often cover social-ecological and sustainable welfare topics), e.g. at the Universities of Leeds, Edinburgh, Vienna, Tolouse, Chile, Mexico, and Vermont, to name a few.[1] These initiatives seek to challenge mainstream approaches to economics and social policy.

However, the power of these actors to influence policy discourses, political decisions and business practices, has so far been limited, especially when it comes to more radical social welfare approaches. While an increasing number of governments and ministries is now recognising the need to design climate and environmental policies more fairly, and to better coordinate social and environmental policies[2], no government has yet explicitly adopted a growth critical sustainable welfare position. Large and powerful international organisations such as the United Nations, International Labour Organisation and World Bank have not moved to publicly support more transformational sustainable welfare policies. Since the vast majority of economists within political institutions as well as business leaders continue to be trained in neo-classical economics, growth-critical and sustainable welfare thinking remains at the margins within these institutions.

[1] See here the list of courses provided by the International https://www.isecoeco.org/resources/graduate-programs-in-ecological-economics/ and European Society of Ecological Economics https://ecolecon.eu/ecological-economics-courses-and-programmes/,

[2] For instance, in Germany, the Ministry for Economics and Climate Protection has introduced a division on fair climate policies, and the Ministry for Employment and Social Affairs a division on social implications of climate and environmental policies. Similarly, the European Commission's Directorate General for Employment, Social Affairs and Inclusion now has a division that focuses on "fair green and digital transitions".

International and national businesses in the high carbon industry still act as extremely powerful lobby groups seeking to prevent, or at least water and slow down, government action on climate change (Lamb et al., 2020). Large, private, conservative media corporations continue to have a significant impact on political and economic discourses worldwide, downplaying the need for climate action, greater equity and social justice. Overall, the odds for social-ecological and especially sustainable welfare approaches to become more prominent within policy-making are therefore currently low. It remains to be seen whether continued national and international climate, ecological, economic and social crises will increase pressure for policy-makers to search for new solutions.

Acknowledgements

Some parts of this chapter build on sections that the author has previously written for other jointly authored publications: Büchs, M., Koch, M., & Lee, J. (2023). Sustainable welfare: Decoupling welfare from growth and prioritizing needs satisfaction for all. In K. Heron & L. Eastwood (Eds.), De Gruyter Handbook of Degrowth: Propositions and Prospects (in press). De Gruyter; Büchs, M., Goedemé, T., Mebratu, D., et al. (2024). Inequality and Climate Change. In K. F. Zimmermann (Ed.), Handbook of Labor, Human Resources and Population Economics. Springer Nature (in press). Sabato, S; Büchs, M; Vanhille, G (2023), A just transition towards climate neutrality, Background Paper for the Belgian EU Presidency of the Council of the EU 2024 (in press).

References

Ayres, R. U., & Warr, B. (2010). *The Economic Growth Engine: How Energy and Work Drive Material Prosperity* Cheltenham, Edward Elgar.

Bailey, D. (2015). The Environmental Paradox of the Welfare State: The Dynamics of Sustainability. *New Political Economy*, *20*(6), 793-811.

Bollen, Y., Van Hauwaert, T., & Beys, O. (2021). For a fair and effective industrial climate transition: Support measures for heavy industry in Belgium, the Netherlands and Germany. Working paper 2021.08. Brussels: European Trade Union Institute.

Bouzarovski, S., Thomson, H., & Cornelis, M. (2021). Confronting energy poverty in Europe: A research and policy agenda. *Energies*, *14*(4).

Buch-Hansen, H., & Koch, M. (2019). Degrowth through income and wealth caps? *Ecological Economics*, *160*, 264-271.

Büchs, M. (2021). Sustainable welfare: How do Universal Basic Income and Universal Basic Services compare? . *Ecological Economics*, *189*(2021), 107152.

Büchs, M., Ivanova, D., & Schnepf, S. V. (2021). Fairness, effectiveness and needs satisfaction: new options for designing climate policies. *Environmental Research Letters*, *16*(12), 124026.

Büchs, M., & Koch, M. (2017). *Postgrowth and Wellbeing: Challenges to Sustainable Welfare*. Cham, Springer.

Büchs, M., Koch, M., & Lee, J. (2023). Sustainable welfare: Decoupling welfare from growth and prioritizing needs satisfaction for all. In K. Heron & L. Eastwood (Eds.), *De Gruyter Handbook of Degrowth: Propositions and Prospects* (pp. in press). De Gruyter.

Büchs, M., & Mattioli, G. (2022). How socially just are taxes on air travel and 'frequent flyer levies'? *Journal of Sustainable Tourism*, 1-23.

Cahill, M. (2002). *The Environment and Social Policy*. London, Routledge.

Chancel, L. (2022). Global carbon inequality over 1990–2019. *Nature Sustainability*, *5*(11), 931-938.

Chancel, L., Piketty, T., Saez, E., et al. (2022). World Inequality Report 2022: World Inequality Lab, available from https://wir2022.wid.world/, last accessed 28 May 2022.
Coote, A., & Percy, A. (2020). *The case for universal basic services*. Cambridge, Polity Press.
Corlet Walker, C., Druckman, A., & Jackson, T. (2021). Welfare systems without economic growth: A review of the challenges and next steps for the field. *Ecological Economics*, *186*(2021), 107066.
Dirix, J., Peeters, W., & Sterckx, S. (2015). Is the EU ETS a Just Climate Policy? *New Political Economy*, *20*, 702-724.
Finn, O., & Brockway, P. E. (2023). Much broader than health: Surveying the diverse co-benefits of energy demand reduction in Europe. *Energy Research and Social Science*, *95*.
Fioramonti, L., Coscieme, L., Costanza, R., et al. (2022). Wellbeing economy: An effective paradigm to mainstream post-growth policies? *Ecological Economics*, *192*, 107261.
Galgóczi, B. (2020). Just transition on the ground: Challenges and opportunities for social dialogue. *European Journal of Industrial Relations*, *26*(4), 367-382.
González-Ricoy, I., & Gosseries, A. (2016). *Institutions for future generations*.
Gough, I. (2017). *Heat, Greed and Human Need: Climate Change, Capitalism and Sustainable Wellbeing*. Cheltenham, Edward Elgar.
Gough, I., Meadowcroft, J., Dryzek, J., et al. (2008). JESP symposium: Climate change and social policy. *Journal of European Social Policy*, *18*(4), 325-344.
Grösche, P., & Schröder, C. (2014). On the redistributive effects of Germany's feed-in tariff. *Empirical Economics*, *46*(4), 1339-1383.
Haberl, H., Wiedenhofer, D., Virág, D., et al. (2020). A systematic review of the evidence on decoupling of GDP, resource use and GHG emissions, part II: Synthesizing the insights. *Environmental Research Letters*, *15*(6).
Hartig, T., Mitchell, R., De Vries, S., et al. (2014). Nature and health. Annual Review of Public Health,
Harvey, D. (2017). *Marx, capital and the madness of economic reason. The concept, the book, the history*. London, Profile Books.
Hassel, A., & Palier, B. (2020). *Growth and welfare in advanced capitalist economies: how have growth regimes evolved?* Oxford, Oxford University Press.
Hayden, A., & Dasilva, C. (2022). The wellbeing economy: Possibilities and limits in bringing sufficiency from the margins into the mainstream. *Frontiers in Sustainability*, *3*.
Hoekstra, R. (2019). *Replacing GDP by 2030: Towards a common language for the well-being and sustainability community*. Cambridge, Cambridge University Press.
Institute for Global Prosperity. (2017). Social prosperity for the future: A proposal for Universal Basic Services. London: University College London.
IPCC. (2022a). Climate Change 2022: Impacts, Adaptation and Vulnerability. Sixth Assessment Report: Intergovernmental Panel on Climate Change.
IPCC. (2022b). Climate Change 2022: Mitigation of Climate Change. Sixth Assessment Report: Intergovernmental Panel on Climate Change.
Ivanova, D., & Wood, R. (2020). The unequal distribution of household carbon footprints in Europe and its link to sustainability. *Global Sustainability*, *3*, e18.
Jackson, T., & Victor, P. A. (2016). Does slow growth lead to rising inequality? Some theoretical reflections and numerical simulations. *Ecological Economics*, *121*, 206-219.
Kaasch, A., & Schulze Waltrup, R. (2021). Introduction: Global eco-social policy: Contestation within an emerging policy era? *Global Social Policy*, *21*(2), 319-322.
Koch, M. (2022). Social Policy Without Growth: Moving Towards Sustainable Welfare States. *Social Policy and Society*, *21*(3), 447-459.
Lamb, W. F., Mattioli, G., Levi, S., et al. (2020). Discourses of climate delay. *Global Sustainability*, *3*, e17.
Mair, S., Druckman, A., & Jackson, T. (2020). A tale of two utopias: Work in a post-growth world. *Ecological Economics*, *173*, 106653.

Mandelli, M. (2022). Understanding eco-social policies: a proposed definition and typology. *Transfer: European Review of Labour and Research*, 10242589221125083.
Martin, M. A., Sendra, O. A., Bastos, A., et al. (2021). Ten new insights in climate science 2021 – a horizon scan. *Global Sustainability*, *4*, 1-20.
McCauley, D., Ramasar, V., Heffron, R. J., et al. (2019). Energy justice in the transition to low carbon energy systems: Exploring key themes in interdisciplinary research. *Applied Energy*, *233-234*, 916-921.
Morena, E., Krause, D., & Stevis, D. (2020). *Just transitions : social justice in the shift towards a low-carbon world*. London, Pluto.
Newell, P., & Mulvaney, D. (2013). The political economy of the 'just transition'. *Geographical Journal*, *179*(2), 132-140.
Noth, F., & Tonzer, L. (2022). Understanding climate activism: Who participates in climate marches such as “Fridays for Future” and what can we learn from it? *Energy Research & Social Science*, *84*, 102360.
Offe, C. (1984). *Contradictions of the Welfare State, ed. by John Keane*. Cambridge, Massachusetts, The MIT Press.
Oswald, Y., Owen, A., & Steinberger, J. K. (2020). Large inequality in international and intranational energy footprints between income groups and across consumption categories. *Nature Energy*, *5*(3), 231-239.
Owen, A., & Barrett, J. (2020). Reducing inequality resulting from UK low-carbon policy. *Climate Policy*.
Page, E. A. (2006). *Climate Change, Justice and Future Generations*. Cheltenham, Edward Elgar Publishing Ltd.
Parrique, T., Barth, J., Briens, F., et al. (2019). Decoupling debunked – Evidence and arguments against green growth as a sole strategy for sustainability. Brussels: European Environmental Bureau.
Piketty, T. (2014). *Capital in the Twenty-First Century*. Cambridge, Mass. / London, The Belknap Press of Harvard University Press.
Piscitello, A., Bianco, C., Casasso, A., et al. (2021). Non-exhaust traffic emissions: Sources, characterization, and mitigation measures. *Science of the Total Environment*, *766*.
Raworth, K. (2017). *Doughnut economics: seven ways to think like a 21st-century economist*. London, Random House Business Books.
Rockström, J., Steffen, W., Noone, K., et al. (2009). A safe operating space for humanity. *Nature*, *461*(7263), 472-475.
Schlosberg, D., & Collins, L. B. (2014). From environmental to climate justice: Climate change and the discourse of environmental justice. *Wiley Interdisciplinary Reviews: Climate Change*, *5*(3), 359-374.
Schor, J. B. (2005). Sustainable Consumption and Worktime Reduction. *Industrial Ecology*, *9*(1-2), 37-50.
Simcock, N., Jenkins, K. E. H., Lacey-Barnacle, M., et al. (2021). Identifying double energy vulnerability: A systematic and narrative review of groups at-risk of energy and transport poverty in the global north. *Energy Research & Social Science*, 102351.
Steffen, W., Broadgate, W., Deutsch, L., et al. (2015). The trajectory of the anthropocene: The great acceleration. *Anthropocene Review*, *2*(1), 81-98.
Steffen, W., Richardson, K., Rockström, J., et al. (2015). Planetary boundaries: Guiding human development on a changing planet. *Science*, *347*(6223), 11.
Stiglitz, J. E., Sen, A., & Fitoussi, J.-P. (2011). *Mis-Measuring Our Lives. Why GDP doesn't add up*. New York, The New Press.
Thew, H., Middlemiss, L., & Paavola, J. (2021). Does youth participation increase the democratic legitimacy of UNFCCC-orchestrated global climate change governance? *Environmental Politics*.

United Nations. (2019). Global Environmental Outlook, Summary for Policy Makers. Cambridge, UK: Cambridge University Press.

Wilkinson, R. G., & Pickett, K. E. (2009). *The Spirit Level. Why more equal societies almost always do better*. London, Allen Lane.

Williams, M. L., Lott, M. C., Kitwiroon, N., et al. (2018). The Lancet Countdown on health benefits from the UK Climate Change Act: a modelling study for Great Britain. *The Lancet Planetary Health*, *2*(5), e202-e213.