

## Book Review

**Ian Gough.** *Heat Greed and Human Need: Climate Change, Capitalism and Sustainable Wellbeing*. Cheltenham, UK: Edward Elgar Publisher Limited. 2017. 250 pages. \$26.29 (Paperback).

The book entitled, *Heat Greed and Human Need: Climate Change, Capitalism and Sustainable Wellbeing* provides an economic, social, and political analyses of the drivers of climate change. It investigates the political economy of capitalism and offers a long-term, interdisciplinary analysis to mitigate the effect of climate change on temperature, while also improving equity and social justice. The book is divided into two parts. Part I covers the conceptual and global issues while Part II focuses on the affluent world. The climate change is a global threat, posing existential dangers while at the same time posing wicked dilemmas in coordinating global action to constrain it. These issues are of epochal significance and provide sufficient justification for Part I. The second part analyses 'welfare states' of the developed world. It addresses how far they are dependent on the carbon economy and how they can be reformed to pursue both carbon mitigation and human welfare simultaneously. This leads into analyses of policy-making under different scenarios of production, consumption and growth. Different 'eco-social' policies that could combine sustainable livelihood with human well-being are proposed and conclusions are summarised.

In Chapter 1, Gough argues that climate change cannot be the basic cause of poverty, ill-health, unmet basic needs and fragile livelihood. Humans have endured these conditions throughout the human history. However, the hazards of uncontrolled climate change constitute an epochal 'threat multiplier'. The author starts by presenting the predicted future of global warming and its potentially catastrophic implications for human habitats and human well-being. The policy options should aim to mitigate climate change and adapt to it but the climate policy alone could be indefensible and inequitable. There, the author argues, the goal of climate policy must be to respect biophysical boundaries while at the same time pursuing sustainable well-being, that is the well-being of the current and of the future generations as well. An acceptable and sufficient level of human well-being demands attention to distribution and issues of equity and social justice. Finally, the chapter concludes that the pursuit of well-being and social justice is inadequate if it is at the expense of the planet and future generations. Similarly, the pursuit of human well-being, while also respecting planetary limits, is unacceptable if it is at the expense of global justice and the poor of the world.

Chapter 2 delineates the theory of human needs and related frameworks to evaluate progress in both human welfare and sustainable environment. It debates that all individuals, everywhere in the world, at all times present and future, have certain basic



needs that are morally significant but individual preferences are not. Hence, needs must be met in order for people to avoid harm and to be able to function—to pursue their own goals, to participate in the society, and to be aware of and reflect critically upon the conditions in which they find themselves. The chapter recognises health and autonomy as fundamental needs universally required to enable people to participate in their social forms of life. It goes on to distinguish these universal needs from culturally specific satisfiers and sketches a way of assessing the latter. Finally, Gough debates that meeting people's basic needs, in the present and in the future, should be the first priority of justice, and satisfying needs thus takes moral precedence over satisfying consumer preferences.

In Chapter 3, author switches from normative arguments about needs and well-being to a descriptive and analytical perspective on the global framework within which the climate crisis has unfolded. This chapter employs the political economy approach to understand 'climate capitalism', a model that aims to square capitalism's need for profit and continual growth with rapid de-carbonisation of the world economy. It investigates the major drivers of emissions, including population growth, income growth, and the economic efficiency of production (emissions from production and consumption). It then turns to the social dimension by charting income and wealth inequality and its impact on emission. Gough, in this chapter, criticises the current dominant perspective of 'green growth' powered by investment in renewables and carbon-saving technological change designed to decouple emissions from the output. He concludes that all the strategies to eliminate global poverty and reduce emission are unsustainable unless the poor get a bigger slice of the whole cake, but there are limits to its expansion because of global constraints on emissions. In other words, unless a model of the global economy based on equity and justice is introduced.

The last chapter of Part I addresses questions, dilemmas, and opportunities that arise when the claim of human needs confronts the present global economic system. It asks what would constitute a moral minimum of need satisfaction across today's world and then tries to estimate what claims meeting this minimum would make on the available global carbon space. Gough claims that meeting needs will always be a lower carbon path than meeting untrammelled consumer preferences financed by ever-growing incomes. However, whether it is low enough to protect the needs of future generations will depend on the mitigation strategies and equity framework. Moreover, all existing strategies ignore the role of consumption levels and patterns in the affluent world. Finally, the chapter concludes that equity, redistribution and prioritising human needs, far from being diversions from the basic objective of de-carbonising the economy, are critical climate policies.

The first chapter (Chapter 5) of Part II traces the development of welfare states and shows how they are being eroded by external and internal pressures and have been outflanked by a rise in inequality. It employs comparative policy analysis to compare 'climate mitigation states' and welfare states. The results reveal both common trends and significant national and regional variations. It identifies three routes to de-carbonisation—green growth, recomposed consumption and de-growth and sets up a framework for tracking the relationship between climate policy and social policy within these routes. Chapter 6 discusses climate mitigation programmes to reduce regional



emissions in the North by employing the concept of green growth, a path of economic growth that uses natural resources in sustainable manners. It explains policy framework to reduce carbon emissions and discusses major mitigation strategies: pricing carbon, regulation, and strategic investment (or green investment). It demands a paradigm shift from reactive social policies to integrated 'eco-social' policies, such as 'green new deals' to supply sustainable domestic energy. Gough demonstrates that fair carbon mitigation will require a shift from the neoliberal model towards a more coordinated and actively interventionist state.

Chapter 7 turns to the second strategy, called 'recomposed consumption' for reducing emissions and global warming. It focuses on consumption and consumption-based emissions in the UK and other rich countries of the world. In this chapter, Gough highlights a serious contradiction in many high-carbon societies between securing emission reduction and ensuring an equitable distribution of real income. It is observed that redistribution of income to low-income households could raise the emissions rather than reduce because 'traditional' redistributive social policy leads to the high carbon content of basic necessities, including housing, food, and travel. The chapter then returns to the theory of human need and develops a 'dual strategy' methodology for identifying a minimum bundle of necessary consumption items and suggests how it might be used to identify maximum bundle for sustainable consumption. A 'consumption corridor' between upper unsustainable and lower unacceptable bounds is charted out. Finally, to recompose consumption in a fair way 'eco-social policies' are suggested, including regulating advertising, taxing high-carbon luxuries, rationing carbon at the household level, and socialising some high carbon services. It explains that to recompose consumption in this way will require new forms of 'eco-welfare state' at the national level. In brief, this entire approach challenges some fundamental principles of orthodox economics.

If the first two strategies fail to combat dangerous global warming due to high economic growth in the rich world, Gough, in Chapter 8 proposes a third strategy, namely 'reducing absolute consumption' to mitigate climate change. This process is usually referred to as de-growth or post-growth. This suggests a very different type of economy than what we have today: one where the emphasis is on reproduction, not production; investment, not consumption; more discretionary time, not more commodities; and more equality and redistribution, not less. It demands new institutional ways of combining sustainable consumption with equity and justice. A variety of policy solutions are proposed, including spreading wealth more evenly through alternative forms of taxation and ownership and fostering the core or social economy. The most realistic policy suggested by Gough to achieve this transition is to gradually to reduce paid work time, and thus absolute levels of income, consumption, and emission.

The last chapter (Chapter 9) presents conclusion and summarises the three-stage processes to reconcile human well-being with the sustainable environment. The first, eco-efficient green growth, requires a shift from liberal to more coordinated forms of capitalism. The second, recomposing consumption, requires at the least a shift from coordinated to more 'reflexive' form of capitalism. The third, de-growth, is incompatible with accumulation drive of any form of capitalism, which is ultimately essential for our future prosperity, if not our very existence. It is for this reason, among others, that this

book proposes an interim strategy to recompose consumption in rich countries towards low-carbon need satisfiers.

In contrast to the existing theory of maximisation, this book has made a strong case for the satisfaction of human needs—as opposed to wants—is the only viable measure for negotiating trade-offs between climate change, capitalism and human well-being, in the present and in the future. Further, it demonstrates that eliminating poverty on a world scale can only be squared with planetary sustainability if the current model of economic growth is abandoned. If the business-as-usual model were used to eliminate poverty it would devastate the planet. However, the book pays inadequate attention to incorporating the concept of minimum satisfaction of human needs to the existing graphical and quantitative models. Without incorporating 'human needs' quantitatively in different models, it is hard to understand how the optimum allocation of resources among different sectors will take place. Therefore, empirical evidence of the proposed idea is missing.

This book is useful for scholars, academicians, and policy-makers interested to study the tools to mitigate the effect of climate change. The book is also for those advocating political, social and environmental reform because it presents eco-social policies excellently to achieve both sustainable consumption and social justice.

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