Sustainable economic activity*:
Some thoughts on the relationship between the care economy and the green economy

A background paper prepared by:
Daniela Gottschlich, Leuphana University Lüneburg / Steering Committee Green Economy Gender_Just
Translation: Rebecca Hudson

* The term 'sustainable economic activity' as used in this paper refers to both the micro- and macroeconomic levels, ranging from individuals and households to the national and international arenas.
Contact
Green Economy: Gender_Gerecht
LIFE e.V. / genanet – focal point gender, environment, sustainabilty
Dircksenstr. 47
10178 Berlin
Tel. 030.308798-35
Email: roehr@life-online.de
www.genanet.de/greeneconomy.html

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Can the green economy concept overcome multiple crises?

In the run-up to the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro in 1992, and during the two decades following it, there was much discussion on the links between nature and society and on the need to join up thinking on social, ecological, political, cultural and economic issues in order to make a good life possible for everyone. Gender was also recognised as a crucial overlapping category. As a dual concept of justice that focuses on the needs of current and future generations, sustainability was, and is, inconceivable without gender justice. This is the message that has been conveyed to the world since the first sustainability conference, in which women’s networks systematically got involved.

But fast forward twenty years and we see that global trends have not improved, but rather deteriorated: poverty and the destruction of natural livelihoods have not been consigned to history, nor are they declining worldwide. The economic, financial, climate, energy and food crises are merely a few core elements of the current multiple crises. They are the manifestation of an unsustainable economic system that produces wealth for a small percentage of people despite the fact that this destroys ecological and social foundations.

By deciding to focus on the green economy at the Rio+20 Conference in 2012, the UN is now putting a concept aimed at improving “human well-being” and “social equity” while simultaneously reducing “environmental risks” and “ecological scarcities” (UNEP 2011) on the international agenda. The main focus is on industrial production that is more efficient in terms of its energy and resource use, as well as on environmentally responsible consumption. But is this concept, which is interpreted in a very wide range of ways, capable of tackling the current crises and of actually providing new impetus for the necessary transition towards a socially and economically responsible economic model?

Proponents of the feminist care perspective, in which the focus is on caring for people and nature, currently believe that the green economy is not capable of this, as none of the approaches it has discussed so far lead to fundamental change. The concept does not break with the dogma of growth or with the economy’s one-dimensional focus on the market and production. It hardly mentions unpaid care of people (and of nature) or poorly paid personal care services. What is needed is the change of perspective and priority that women’s networks and feminist economists have been calling for since the early 1990’s: in the care perspective of life processes, the aim of economic activity is not profit and ever greater economic growth, but rather human development and the satisfaction of human needs, which are inconceivable without a sustainable safeguarding of livelihoods.

The analytical and visionary potential of a care perspective is already reflected in this short answer. This potential will be analysed in the following pages. Two examples from the fields of caring for the elderly and caring for nature (and people) will also demonstrate the consequences of focusing on the principle, and thus on a rationality, of care and show how this differs from a purely “green economy” approach. The two examples chosen – technical ambient assisted living systems (AAL) and the approach taken to the discovery of oil in Yasuní National Park in Ecuador – involve

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1 This started with the Women’s Action Agenda in 1991 and continued with various position papers by the transnational women’s network DAWN, the work of a large number of feminist economists worldwide and the foundation of the German-speaking organisations, Netzwerk Vorsorgendes Wirtschaften [Network Caring Economy] and AG Frauen im Forum Umwelt und Entwicklung [Women’s Working Group in the Forum on Environment and Development], which were set up after UNCED.
controversial topics. This paper should be regarded as a contribution to the discussion on care and the transformation of a way of living and producing that has not taken socio-ecological responsibility sufficiently into account so far. It does not aim to answer all of the questions – indeed, it raises new issues.

It is clear that the logic of care cannot easily be integrated into the dominant and largely contrary logic of the market. However, where economic and political activities can be successfully based on a rationality of care, the existing situation is transformed and economic activity is (once again) aimed at facilitating life processes and ensuring a good life for everyone.

Care as a starting point for feminist economics, a critical analytical category and a normative basis for sustainable economic activities

Care is one of the major points of reference in feminist economics. It is mainly concerned with “care work”, that is, the tasks involved in the care that we give to ourselves and other adults (who in theory could also look after themselves), but particularly to people who are not able to take care of themselves or are limited in their ability to do so: children/teenagers, the elderly, the “disabled”, sick people and those in need of care. In a broad understanding of care (cf. Tronto 1993: 103; Wichterich 2002: 86) as used here, the term also includes care (work) for future generations, as well as for nature, animals and plants. Examples include doing a voluntary ecological year, getting involved in animal protection work or eating vegan food.

Hence, care involves far more than what has previously come under “domestic labour” or “regeneration of the workforce”. Care work puts us in contact with other people and our ecological surroundings and requires a capacity for empathy and concern: one cannot look after sick people without comforting them or raise children without giving them loving attention. The care economy shows us people as social beings who are dependent on others and rely on their support and care during about half of their lives (as children, when they are sick, and in old age...) and who – in an ideal-typical scenario – can care for others during the other half of their lives. However, the division of labour in this area is highly gendered. On a global level, this care work is still primarily provided by women and is mostly unpaid. While people are paid for providing “personal care services”, wages are often low compared with those in the trades, scientific or technical fields. Moreover, this work enjoys a comparatively low level of recognition in society.

These complex interdependent social relationships do not only combine everything needed on a personal level to shape and maintain our own lives and those of the individual(s) for whom we care, but also involve preserving the social fabric as a whole and (re)generating society. In conjunction with nature, social and ecological care work thus forms the basis of all economic activity. Both the preservation of these foundations and the configuration of the relationship between processes of production and reproduction determined by the market and organised by the lifeworld are essential to sustainable development.

If one now uses care as an analytical category and asks about the role of care in the green economy, one will notice that work as a whole and the links between the market economy and the care economy do not feature in this concept. This is problematic in several ways.

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2 Case studies that stimulate further thought and encourage people to become active in similar ways can be found in Biesecker et al. (2000); Baier/Müller/Werner (2007); Habermann (2009); and Voß (2010). Please note that this material is available in German only.

3 This is a German state-funded educational scheme for young people aged between 16 and 27.
Firstly, the much-criticised “halved” perspective of predominant economic thinking and the dichotomisation of “productive” and “reproductive” inscribed in it are maintained at the UN level and global discussion on sustainability (cf. Biesecker/Gottschlich 2012).

Secondly, the green economy pays scant or no attention to the interconnected crises in the market economy and the care economy, such as the impact of the financial crisis on all areas of the lifeworld. At the same time, the burden of safeguarding one’s own survival increases during periods of economic crisis in particular, as new boundaries are drawn between public and private areas. The restructuring of the welfare state in Europe in the wake of neoliberal policies and current measures to “overcome” the debt crisis is leading to cutbacks in public infrastructure. Claudia von Braunmühl and Uta von Winterfeld (2003) describe the results of this situation as a “double privatisation”: on the one hand, parts of the public (mainly local) care services and welfare are being transferred to private-sector actors whose services citizens must now buy as clients. On the other hand, formerly socialised tasks are being shifted (back) to private households and thus to carers and/or volunteers. This means that caring practices are in many ways “the final socio-ecological safety net for unsustainable types of development” (Gottschlich/Mölders 2008). These processes of double privatisation set in motion a spiral of downward mobility and poverty that further exacerbates unjust gender and unsustainable conditions (cf. Biesecker/v. Braunmühl/Wichterich/v.Winterfeld 2007).

A third problematic aspect becomes apparent when this drawing of new boundaries means that care work shifts from the market to the realm of unpaid care services provided by families or friends and vice versa, thus placing life-related care in conflict with the market economy’s logic of utilisation and efficiency (irrespective of whether or not this economic system is green). This can currently be seen in the health and care field, which is regarded as the largest growth sector. It is alarming that a commercialised understanding of efficiency is also becoming the benchmark for the organisation of work in this sector (cf. Biesecker/Gottschlich 2005). However, this does not imply improved quality in the care of sick people and others in need of care. On the contrary, it involves “processing” a large number of patients as quickly as possible, be this because a flat-rate payment per treatment means that only a fixed sum is available or because medical and care staff are not paid “to talk”, but rather only to provide certain care services within a set period of time. This short-sighted rationality of (monetary) utility maximisation does not have anything in common with human dignity and quality of life. After all, paid care work in the form of personal care services also aims to support the needy, elderly and sick people in managing their own lives. Care work involves caring and concerned subjects in all aspects of their vitality and humanity. The transfer of capitalist economic principles has a destructive impact both on the person receiving care and on people who take their care work seriously. As an analytical category, care can thus also be useful in questioning and criticising the normative principles of prevailing economic thinking and actions. However, the green economy has only looked at the overexploitation of natural resources so far – social exploitation has not been on its agenda. In this concept, nature is regarded as capital rather than being perceived in its vitality. Furthermore, green economy approaches do not make the jump from “green growth” to “human development” or “sustainable livelihoods” as a basis for sustainable development.
This is precisely where the future-oriented potential of the care economy lies\(^4\). This concept perceives economic activity as embedded in the socio-ecological context and places the economics of daily life and its focus on life-giving processes at the forefront. The components for a different and more sustainable way of living and developing include the principles of cooperation and participation. The configuration of both labour and the economy as a whole always serves as the springboard for socio-ecological change. In this context, it is as important to reduce working hours, include the different time needs of individuals as social beings, and redistribute all socially necessary work among more people and between the genders as it is to link the processes of manufacturing, regeneration, supply and disposal in order to preserve or improve socio-ecological quality.

In concrete terms, this means that the question of resource use – for example, in procurement and disposal – is also significant in the various fields of the care economy. The person-to-person relationship is most important in this concept. Calls for items such as organic nappies, organic purchasing (food and cleaning agents), efficient catering equipment or recycling in hospitals can be justified in terms of an overall concept that generally aims to tackle the crisis of the destruction of ecological and social livelihoods. However, such calls are not justified under a concept that shifts responsibility for the environment unilaterally to consumers and care workers.

**Care of the elderly: the example of ambient assisted living**

Technical innovations are not only useful in improving efficiency in the field of ecological resource use. The question of how (new) technology might be used in the care sector has also recently come up for discussion. A new research field called ambient assisted living has been established at many universities over the past few years. The German Federal Ministry of Education and Research is providing a significant amount of funding to this field\(^5\). Ambient assisted living also provides many firms with a new and lucrative market. The research involves examining how intelligently applied technical systems can help the elderly in particular to live independently in their own homes for as long as possible. Converting homes involves installing microsystems and communication technology – or put more simply, “talking” furniture and remote-controlled devices. Examples of devices currently at the test stage include bathroom mirrors with an integrated screen that reminds people when to take their medication; armchairs that monitor heart and respiratory rate and transmit the data to the individual’s local doctor; wheelchairs that are able to go around obstacles and have speech recognition programmes that allow the wheelchair user to lower the kitchen worktops to the right level or turn the light above the dining table on or off; and a key card that locks the front door and also ensures that certain electrical appliances are automatically switched off when the individual leaves their home.

On the one hand, these technical assistance systems are a response to the growing need for support and help services for managing daily life in old age – as we know, the percentage of

\(^4\) In the meantime, there is a wide range of literature on feminist economics and the care economy. Examples include Biesecker/Baier (2011); Biesecker/Hofmeister (2006); Gottschlich (2004, 2008); Habermann (2008); Notz (1999); Röhr (2011); Spitzner (2005); Stiefel (2002) and Wichterich (1998, 2011).

\(^5\) Since 2008, the German Federal Ministry of Education and Research has funded a total of 18 research projects as part of the German Federal Government’s High-Tech Strategy for Germany. Some €45 million in funding has been provided to research projects under a scheme called “Ambient Assisted Living Systems for a Healthy and Independent Life (AAL)”. Accompanying measures are also being funded parallel to the collaborative research. A study on ethical issues in the field of ambient assisted living is currently being tendered (cf. http://www.aal-deutschland.de).
elderly people in the population as a whole is constantly increasing. The majority of people who need care in Germany are looked after at home by (mainly female) relatives. On the other hand, these assistance systems involve an economic valorisation of demographic changes – in short, new markets, exports and economic growth, as the following quotation from the Federal Ministry of Education and Research makes clear: “Positioning products and services on this important future market from an early stage will make the opportunities of demographic change economically useful. There is also potential for new markets here. In this way, demographic development can stimulate economic growth and employment and pave the way to new export opportunities.”

If human labour is complemented or replaced by technology, thus simultaneously tapping into new markets, it is important to be aware of the socio-ecological implications and of the possible drawbacks. From the care perspective, the question of who benefits is crucial. Statutory health insurance companies will be spared the costs of expensive and time-consuming care, as it is cheaper to convert people’s homes than it is to provide them with residential care. But will health insurance companies generally cover conversion costs for everyone who is interested in ambient assisted living? Or will this technology face similar obstacles to those in the current processes for assessing the level of care to which people are entitled in Germany? Will people dependent on care be able to refuse this technologisation of their everyday lives? And how should ambient assisted living systems be evaluated in ecological terms? Will expanding the use of technology to an ever larger number of areas not actually stabilise an economic approach based on consuming resources? How will those who need care be involved in decision making on such specific care measures and their use? How can it be ensured that ambient assisted living provides support to the person who needs care (by all means in the sense of empowerment), as well as physical and psychological relief for the carer? How can it be ensured that processes of loneliness and isolation are not actually exacerbated if elderly people no longer have conversations and contact with family members, care workers and medical staff because an armchair measures their blood pressure and a screen in the bathroom mirror reminds them to take their tablets?

It is also apparent that ethical questions lag behind technological development. However, passive systems that (no longer) require any user interaction – for example, appliances (armchairs) that constantly monitor vital signs and send the results to a medical databank that can be accessed by the individual’s doctor – are a prime example of equipment that raises questions on data protection, privacy and the extent of control over the individual.

The example of ambient assisted living shows clearly that using technical innovations for a good life in the interests of all those concerned requires a consistent orientation on the rationality of care. The question of how, where and with whom we want to live when we are old and need care is always more important than the question of how technology can be used. Ambient assisted living systems can form only part of an overall system of care for the elderly that includes other measures such as greater appreciation of care workers, higher wages in the care sector, structured state funding schemes for periods of care (such as that provided during parental leave in Germany) and so on.

6 Translator’s note: this text has not been translated into English by the German Federal Ministry of Education and Research, so the above quotation is not an official translation. The original German text is available at http://www.aal-deutschland.de/aal-1.

7 Three levels of care for older or chronically sick people are defined under the German health care system. Level 1 entitles an individual to up to 45 minutes of care per day; level 2 provides between 120 and 180 minutes of care; and level 3 allows for between 240 and 300 minutes per day, including night care.
Care for nature (and people): the example of Yasuní National Park in Ecuador

The green economy is based on efficiency. The idea is to use an ever lower amount of resources in manufacturing, while the resulting emissions constantly decrease. A caring and precautionary type of economic activity goes further, linking the aspiration to be efficient with the notion of sufficiency. This does not merely or primarily involve the question of whether manufacturing processes can reduce energy consumption and emissions, but rather queries what should and should not be produced in the first place. The ethical principles of a broadly defined care economy include respect for all living beings and a non-exploitative approach to nature combined with the aim of linking social and ecological justice.

However, current trends in global raw materials policy do not reflect this. Poverty eradication is being pursued through economic growth in general and a policy of “new extractionism” in particular in many countries in the southern hemisphere, especially in Latin America. “New extractionism”, a term coined by the Uruguayan socio-ecologist Eduardo Gudynas, means that revenue from the extraction of raw materials such as oil, gas, minerals and agricultural products, which are mainly exported to the northern hemisphere, is used to fund socio-political measures. According to this logic, greater social justice comes at a high price, namely the exploitation of natural resources that leads to environmental destruction and dependence on raw material prices on the international financial markets.

The initiatives on the Yasuní National Park in Ecuador show that there are ways to resist this resource-intensive development model based on the global market and economic growth that does not take account of nature and the indigenous population living in areas where raw materials are extracted. It also shows ways to link social and ecological justice. Ecuador’s largest undeveloped oil field, Ishpingo-Tambococha-Tiputini (ITT), was discovered in the national park. The field’s estimated 850 million barrels of oil represent a fifth of the country’s total reserves and are valued at US$7.2 billion. Oil is the state’s most important source of revenue. However, extracting this oil would destroy the rain forest and pose a threat to the Waorani, the indigenous people living in the area.

Ecuador would be willing to leave the oil in the ground and forego half of the revenue if the international community of states provides the other half in the form of compensation payments into a UN-managed fund. The idea is to use the money to develop sustainable agriculture and alternative sources of energy. It is not difficult to detect a logic of care in this idea of preserving nature as a (global) commons and leaving fossil fuel reserves untouched, combined with compensation to be used for social purposes and sustainable development. However, this logic is not in line with the prevailing notion of production. Hence, it is unfortunate but not surprising that the German Development Minister Dirk Niebel opposes any form of support. He has said that he

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8 Eduardo Gudynas is a senior researcher at the Latin American Centre of Social Ecology (Centro Latino Americano de Ecología Social, CLAES) in Montevideo, Uruguay.
10 According to the Society for Threatened Peoples, around 2,000 Waorani currently live in Yasuní Park. This number includes the two small groups of Tagaeri and Taromenane, who refuse to have contact with the outside world. The indigenous population has been subjected to frequent attacks, including murder. The indigenous population is not only affected by the destructive oil extraction, but also by illegal logging. (cf. https://www.gfbv.de/inhaltsDok.php?id=23248stayInsideTree=1).
11 In general, the World Bank manages UN funds – and this is precisely why NGOs have expressed scepticism. The question of the criteria to be used in deciding how the money will actually be spent and who has decision-making rights is one of the many unresolved issues.
will not pay [a country] for doing nothing\textsuperscript{12}. He fails to recognise that conservation and explicit non-action are important ways of preserving or even furthering socio-ecological quality.

The precautionary principle plays a major role here. While emissions trading rewards states for reforesting destroyed woodland, a care-economy perspective also involves supporting countries – financially, if necessary – for leaving their forests standing from the outset. Indeed, this support should be a priority. This means that in addition to using resources more efficiently as called for by the green economy and to basing economic activity on processes that focus on the recovery and recycling of used resources, the third crucial aspect is that of protecting, rationing and not using nature for commercial, large-scale industrial purposes\textsuperscript{13}.

From a care perspective, the wide range of small initiatives on the Yasuní National Park is encouraging. Such groups are also found in Germany, where protests against and opposition movements to German development policy played a large role in their emergence. This shows that there is broad support for the idea of shared responsibility for socio-ecological principles beyond national borders.

Nevertheless, criticism has been expressed. Doesn’t the global community leave itself open to blackmail if it pays every time nature is not destroyed? Is a logic of care really being pursued if conservation only happens when money is involved? What use is it if oil continues to be extracted at the same pace outside Yasuní National Park and the logic of exploiting nature is not halted? Doesn’t the protection of resources then turn into a commodity to be haggled over? Isn’t the planned Yasuní fund an ecological instrument just like the controversial UN-REDD Programme (Reducing Emissions from Deforestation and Forest Degadation in Developing Countries)\textsuperscript{14} that promises heavily forested countries in the southern hemisphere compensation for actively protecting their forests, but simultaneously limits the (use) rights of the local population? Wouldn’t a care perspective involve flagging up the monetisation of nature and its “services” as a problem? Doesn’t this approach separate the protection and use of nature once again instead of pursuing the logic of “shaping today while thinking of tomorrow” (Biesecker/Hofmeister 2006), which generally involves sustainable use?

As in the evaluation of ambient assisted living systems, this example can be assessed by the answer to the questions of whether socio-ecological quality is preserved or improved and in whose interests the measures are implemented.

The care position expressed here assumes that ecological and social justice are inextricably linked. Implementing ecological care measures for nature without including social issues contravenes this position. In the case of Yasuní, the social dimension is included in two ways: firstly, the non-use of natural resources safeguards the livelihoods of the indigenous population; secondly, the

\textsuperscript{12} Cf. Süddeutsche Zeitung of 12.11.2011.

\textsuperscript{13} Also cf. Gerhard Scherhorn’s concept (2011), according to which the market should provide these three aspects in the future. Scherhorn argues in favour the competitive order being revised by the state. The idea behind this is that conservation should be financially worthwhile and that the externalisation of ecological costs would be punished as unfair competition.

\textsuperscript{14} The REDD model creates a financial value for the carbon stored in forests. The REDD process measures or calculates emissions caused by deforestation and subsequently awards compensation. While those in favour of this process hope that it will create incentives for halting the further clearing of forests, many NGOs reject the REDD mechanisms, as their implementation limits the indigenous population’s rights to the forests and women’s rights in many ways, supports reforestation in the form of plantations, and opens the floodgates to corruption – to mention just a few arguments. (The criticism goes much further than this. Cf. e.g. http://www.globalwitness.org/campaigns/environment/forests).
compensation is to be used for sustainable development in the country and thus for the common good. However, the evaluation clearly depends on whether or not these plans are put into practice. In this regard, a state like Ecuador, which stipulated a good life for all of its people in terms of community, diversity and harmony with nature in the form of “buen vivir” in its 2008 constitution (cf. República del Ecuador 2008; Fatheuer 2011), is certainly more trustworthy than a military dictatorship that uses economic instruments such as REDD strategically, forcibly displacing people without compensation and thus cutting them off from their livelihoods.

Outlook

During the UN Climate Change Conference in Durban in December 2011, some NGOs used the slogan “Green Economy = Greed Economy” to express the danger that the green economy concept simply means greenwashing capitalism.

Restructuring the economic system on primarily ecological lines, while largely omitting justice issues, is not enough to create sustainable ways of living and organising economic activity. Furthermore, if such restructuring does not break with the logic of profit maximisation and thinking in terms of output and constant economic growth, a green economy will also cause and aggravate crises.

Instead of greed and competition, sustainable economic activity requires individuals to demonstrate empathy and cooperation and to learn and act together. It also requires the courage “to do something differently to the way we learned to do it” (Habermann 2011: 19).

Instead of recklessness and avarice, sustainable economic activity needs companies that base their work on socio-ecological quality and do not only respect nature’s regeneration processes and close resource cycles, but also support changes like the reduction of working hours and therefore alternative labour models in which the relationship between different types of work such as personal and community work, unpaid care work and paid work must be renegotiated and reshaped (in a gender-just way).

Instead of privatising and feminising care work, social and ecological responsibility for care must be spread across society. This requires a political culture that values cooperative and participative values. In this context, the Deutscher Frauenrat15 speaks of a new “social philosophy of shared and just care” that must be safeguarded by state bodies in the form of institutions and materials (cf. genanet et al. 2011), be this through new forms of basic social security for everyone or the provision of public services and a life-giving infrastructure that facilitates and supports individual and collective participation in shaping a caring (and not careless) way of living and organising economic activity.

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15 The National Council of German Women’s Organisations is the umbrella organisation of over 50 women’s associations active in Germany. The council was founded over 60 years ago.
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