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**Downshifting in Australia**  
**A sea-change in the pursuit of happiness**

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Discussion Paper Number 50  
January 2003

ISSN 1322-5421

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## **Acknowledgments**

We would like to thank Richard Eckersley and Philomena Tan for reading the draft and making excellent suggestions for improvement. Richard Denniss also provided very helpful advice. Leigh Thomas provided editorial assistance. The authors take full responsibility for all views and interpretations.

We would also like to thank those who agreed to tell their stories for the case studies.

## Summary

### *The costs of overconsumption*

Australians are bombarded every day with messages saying the way to a happy and fulfilling life is to have more money and a higher standard of living. In our society, success is measured overwhelmingly by material affluence. The appetite for more appears to be insatiable. A recent study showed that nearly two-thirds of Australians say they cannot afford to buy everything they really need, despite the fact that Australians are richer than ever, and around three times better off than their parents in the 1950s.

The preoccupation with money and consumption comes at an increasing cost. Consumer debt and personal bankruptcies are rising rapidly. Australians are working longer and harder than they have for decades and are neglecting their families and their health as a result. So while they say they do not have enough money, many Australians also say that money-hunger conflicts with their deeper values and preferences. When asked whether Australian society today is too materialistic, with too much emphasis on money and not enough on the things that really matter, 83 per cent agree.

### *The elements of downshifting*

‘The trouble with the rat race is, even if you win, you are still a rat.’ Many Australians agree with the sentiment of this epigram and dream of escaping the rat race. The ABC’s *SeaChange* program was popular because it captured this shared dream. In other countries, there is evidence that many people have left the rat race to realise this dream. A US survey indicated that 19 per cent of adult Americans had voluntarily decided to reduce their incomes and consumption levels. This phenomenon is known as ‘downshifting’; it has received almost no attention in Australia.

In this study, downshifter are defined as those people who make a voluntary, long-term, lifestyle change that involves accepting significantly less income and consuming less. ‘Sea-changers’ may be thought of as a sub-group of downshifter, those whose life change involves leaving a career and moving house in pursuit of a simpler life. ‘Voluntary simplifiers’ may be thought of as those sea-changers who make a more radical change for reasons of principle as well as for personal motives.

Studies in Australia and abroad have uncovered several primary motivations for downshifting. Downshifter may be pursuing a more balance and fulfilled life; they may want to spend more time with their families; they may be motivated by a desire to live a less materialistic and more sustainable life. They may make the change following a sudden event such as a severe illness, the death of someone close or a marriage breakdown. More often, the decision follows a longer process of questioning.

Individuals who make the choice to downshift usually stress that they are not dropping out of society. They do not see themselves as part of a movement but simply as individuals who want to make a change to the balance of their lives.



### *Downshifting in Australia*

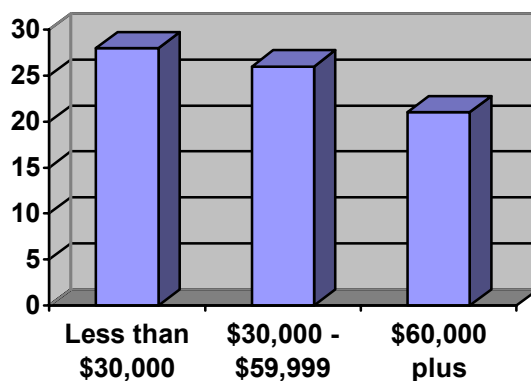
For this study, Newspoll was commissioned to conduct a national survey to determine the extent and nature of downshifting in Australia. It is the first time information has been gathered on this group of Australians. Downshifters were identified initially by an affirmative answer to the following question:

In the last ten years have you *voluntarily* made a long-term change in your lifestyle, other than planned retirement, which has resulted in you earning less money?

Using a narrow definition that excludes some who answered ‘yes’, 23 per cent of Australian adults aged 30-59 have downshifted over the last 10 years. The proportion rises to over 30 per cent if those returning to study or setting up their own businesses are included. Men and women, people in their thirties, forties and fifties, and families with and without children are just as likely to make the life change.

Contrary to a widely held view, downshifters are as likely to be blue-collar workers as white-collar workers. Proportionally, there are more downshifters on low incomes (less than \$30,000) than on high incomes (over \$60,000) (Figure S1), although in absolute terms there are more high-income downshifters than low-income ones, even after the change. (The incomes in Figure S1 are those reported after the downshift, so some of those now on low incomes would have been on high incomes.)

**Figure S1 Proportion of each income group who are downshifters (%)**

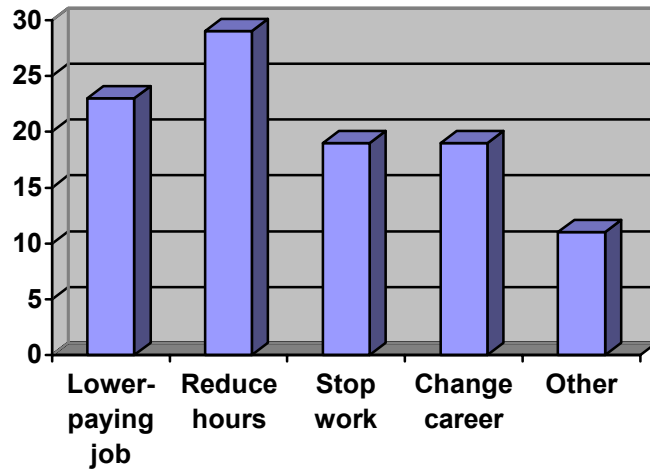


There appears to be an increasing trend to downshift in more recent years. Reducing working hours is the most popular way to downshift but changing to a lower-paying job, stopping paid work and changing careers are also common (Figure S2). Women are more likely to stop paid work and men are more likely to change careers while downshifters with children are more likely to reduce their hours of work or stop paid work altogether.

The most important reason for downshifting is to spend more time with family. A desire for a healthier lifestyle, more personal fulfilment and a more balanced lifestyle are also important (Figure S3). Post-materialist reasons – i.e. less materialistic and more environmentally friendly lifestyles – are nominated by few downshifters as their primary motivation, although for many it is one of several reasons for making the

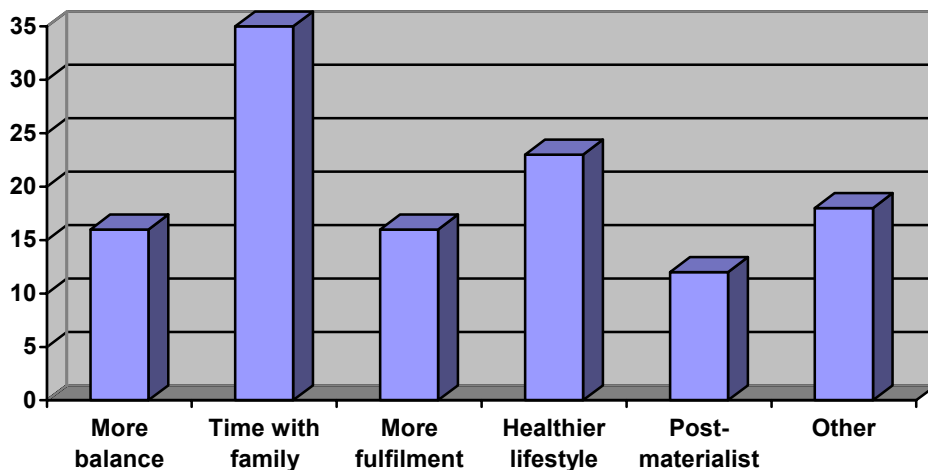
change. However, any decision to downshift in search of a more balanced life with less emphasis on money reflects a post-materialist value system.

**Figure S2 How Australians downshift (%)**



Householders with children are much more likely to downshift in pursuit of more time with their families, while those without children are much more likely to be motivated by the desire for more balanced and healthier lives. While all income groups stress more time with family, high-income downshifter are much more likely to mention the desire for personal fulfilment, and those on low incomes are more likely to stress a healthier lifestyle.

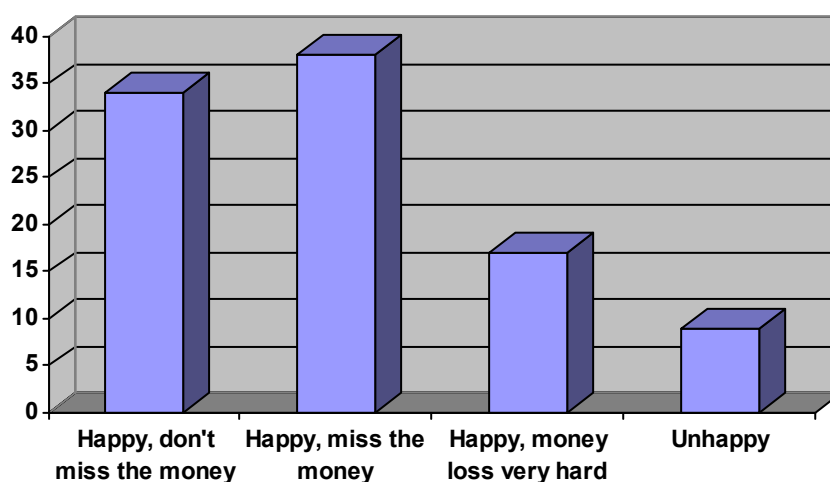
**Figure S3 Why Australians downshift (%)**



Is it worthwhile? Downshifter are overwhelmingly happy with their decisions, although many miss the extra income and a sixth of them, while happy, find the loss of income very hard (Figure S4). Downshifter with children are more likely to feel the loss of income, especially if they have downshifted to a low income.

The results of the Australian survey can be compared with those from a similar survey in the USA. Downshifting appears to be more prevalent in Australia than in the USA where there are fewer high-income downshiffters. Australian downshiffters are more likely than Americans to cite ‘more time with family’ as their reason for making the change, while Americans emphasise the desire for more balance and fulfilment. While both groups are very happy with the change, Australians appear to be more contented.

**Figure S4 Are downshiffters happy with the change? (%)**



### *Political implications*

‘Aspirational voters’ are those low and middle-income voters who most strongly aspire to wealthy lifestyles and the trappings of material success. The fact that nearly two-thirds of Australians believe they cannot afford to buy everything they really need has given rise to the phrase ‘middle-class whingeing’. The main political parties appeal to the feelings of deprivation of voters by reinforcing their perceived sense of financial hardship.

The research reported in this paper uncovers a large and, until now, invisible class of citizens who consciously reject consumerism and the pre-occupations of the aspirational voter. While diverse in many respects, they agree that an excessive pursuit of money and materialism comes at a substantial cost to their own lives and to those of their families. They reject the unquestioned assumption of Australian politics that voters respond first and foremost to the ‘hip-pocket nerve’; for them the hip-pocket nerve has been cauterised. These voters, who comprise at least a quarter of the adult population, might be called ‘anti-aspirational voters’. Perhaps a similar number may be considered to be closet downshiffters, those who agree with the values and life priorities of anti-aspirational voters but do not have the courage or, in some cases, the wherewithal to make the transition to downshifting.

Unlike middle-class whingers, downshiffters do not complain. The political system is geared towards trying to satisfy the noisy demands of the former. Downshiffters are often alienated from the political process because it is preoccupied with economics when they themselves have decided to put economic considerations down the list of life priorities.

Unlike middle-class whingers, downshiffters do not demand that the government solve their problems. One might say that they have been offered a 'fistful of dollars' but have said 'no thanks, the price is too high'. In recent times political leaders have begun to change their rhetoric with more talk of family friendly policies and concern about overwork. But for downshiffters this is not enough because the political system continues to promote consumerism and growth at all costs, precisely the values that downshiffters have discarded.