Growth is unsustainable
De-growth is unstable

The Dilemma of Growth

Life Expectancy at Birth

GDP per capita (PPP $2005) vs. Life expectancy at birth (years)

Countries: Cuba, Costa Rica, Chile, Malta, New Zealand, Japan, Iceland, Norway, Ireland, United Kingdom, Brazil, United States, China, Gabon, South Africa, Botswana, Mozambique, Swaziland.
The Dilemma of Growth

Source: *Prosperity without growth*, Tim Jackson (London, Earthscan 2009)

- **Scenario 1**: 9 billion people; trend income growth
- **Scenario 2**: 11 billion people; trend income growth
- **Scenario 3**: 9 billion people; incomes at equitable 2007 EU level
- **Scenario 4**: 9 billion people; incomes at equitable 2007 EU plus 2% pa growth

\[ x \times 130 \text{ improvement} \]

\[ \text{CO}_2/\$ < \text{zero by 2100?} \]
The Engine of Growth

- Shareholder value
- Creative destruction
- Status consumption
- A life without shame

Credit

Savings as % of disposable income

Household savings ratio

Personal debt


Personal debt as % of GDP

-20% 0% 20% 40% 60% 80% 100% 120%
Society is locked into an ‘iron cage’ through two mutually reinforcing dynamics: 1) economic structure and 2) social logic: economic growth is served by these dynamics, but wellbeing is not.

Government itself is conflicted: its role in protecting macro-economic stability contrasts with its role in defending other social goods.
Another world is possible

- economic structure
- social logic
- governance
Prosperity consists in our ability to flourish as human beings – within the ecological limits of a finite planet.

- material flourishing: food, clothing, shelter
- social and psychological flourishing: identity, meaning, participation in the life of society
- rethinking social goods and public spaces
Another Prosperity?

‘... sites for the cultivation of a common citizenship, so that people from different walks of life encounter one another and so acquire enough of a sense of a shared life that we can meaningfully think of one another as citizens in a common venture’

Michael Sandel, June 2009
Another Engine of Growth?

Ecological Investment
- investment targets
- investment ‘ecology’
- productivity /profitability
- financial markets
- role of public sector

Ecological Enterprise
- low carbon/resource light
- service-based
- contribute to flourishing
- provide jobs
- support communities

Green technology markets

Service-based activities
Another Engine of Growth?

Productivity growth in Europe 1985 - 2005
Another Economic Engine?

Ecological Investment
- low carbon transition
- ecological assets
- livelihoods

Ecological Enterprise
- provide capabilities
- support communities
- tread lightly
Economics for a finite planet

Ecosystems

Ecological investment

Ecological enterprise

Ecosystem services

Participation

Capabilities

improved flourishing

Ecological productivity

People
Ecological Footsteps

Establish the limits
Fix the economics
Change the social logic
Ecological Footsteps

**Establish the Limits**
1. Establishing clearly defined resource/emissions caps
2. Fiscal Reform for Sustainability
3. Promoting Technology Transfer and Ecosystem Protection

**Fix the Economics**
4. Developing the macro-economics of sustainability
5. Investing in public assets and infrastructures
6. Increasing financial and fiscal prudence
7. Improving macro-economic accounting

**Change the social logic**
8. Sharing the work and improving the work-life balance
9. Tackling systemic inequality
10. Measuring capabilities and flourishing
11. Strengthening human and social capital
12. Reversing the culture of consumerism
‘The crisis doesn’t only make us free to imagine other models, another future, another world. It obliges us to do so.’

President Sarkozy, September 2009

http://www.earthscan.co.uk/pwg