



# Prosperity without Growth

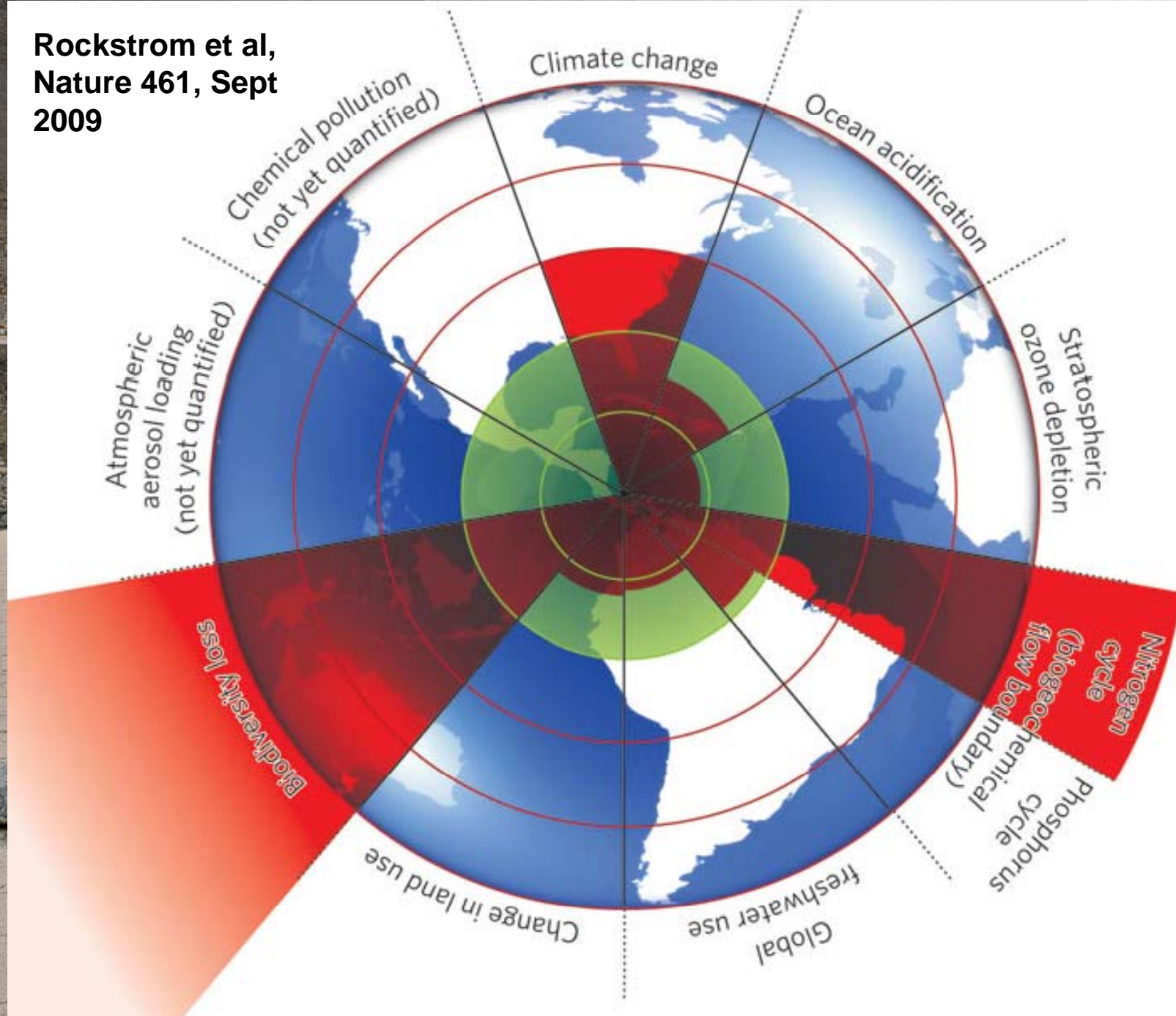
Tim Jackson  
26<sup>th</sup> May 2010



**Sustainable**  
Development Commission

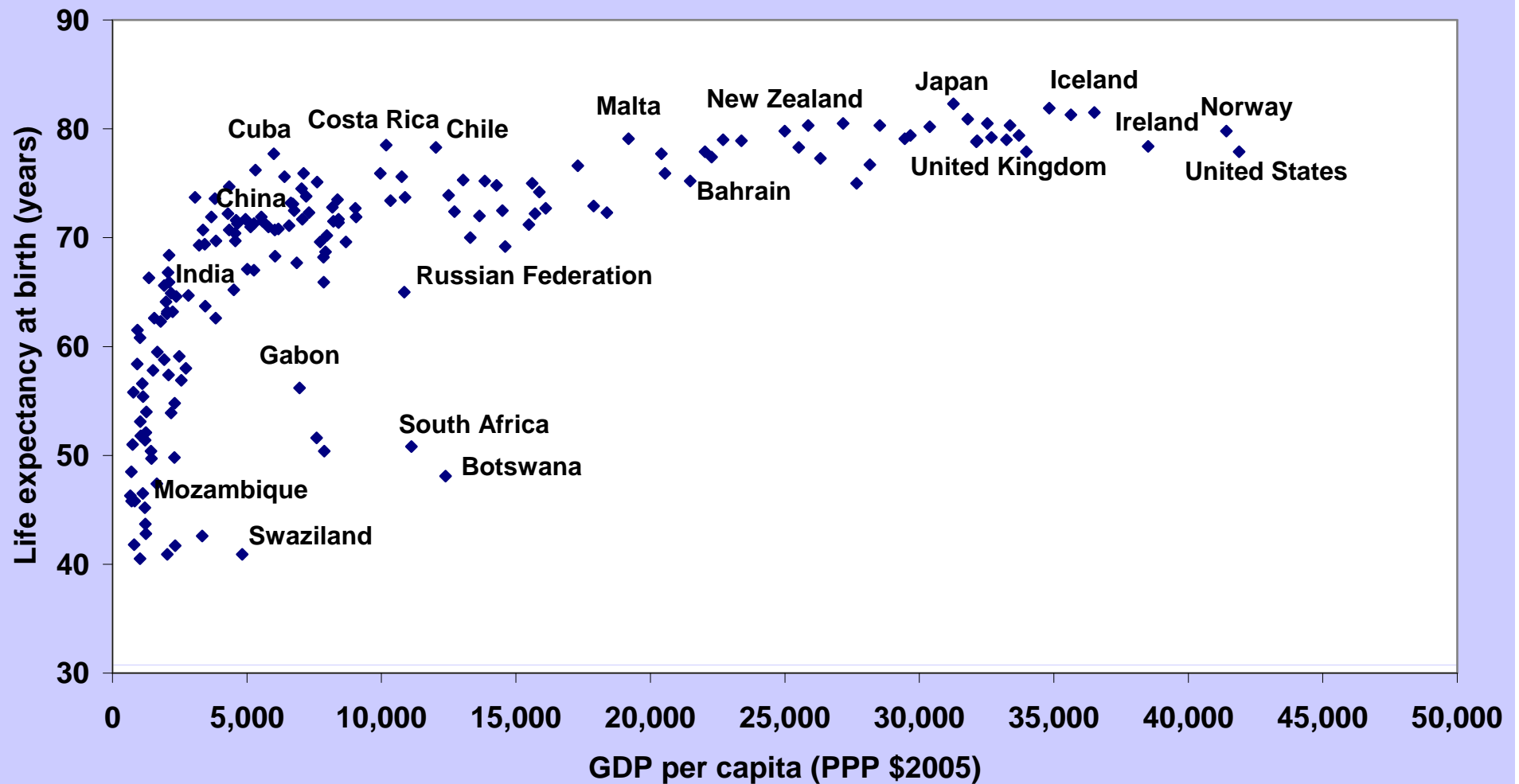
*People • Planet • Prosperity*

Rockstrom et al,  
Nature 461, Sept  
2009



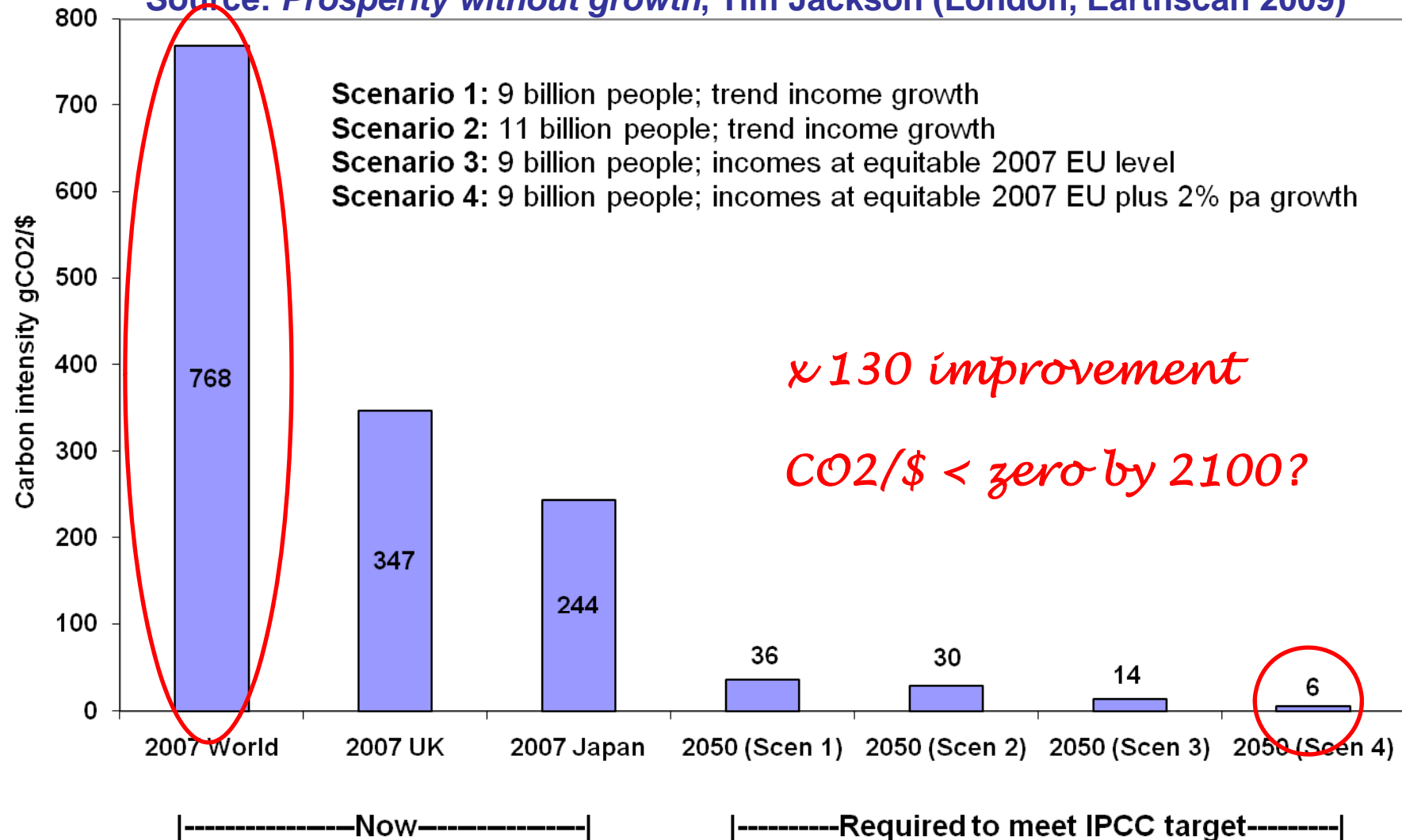
# The Dilemma of Growth

## Life Expectancy at Birth

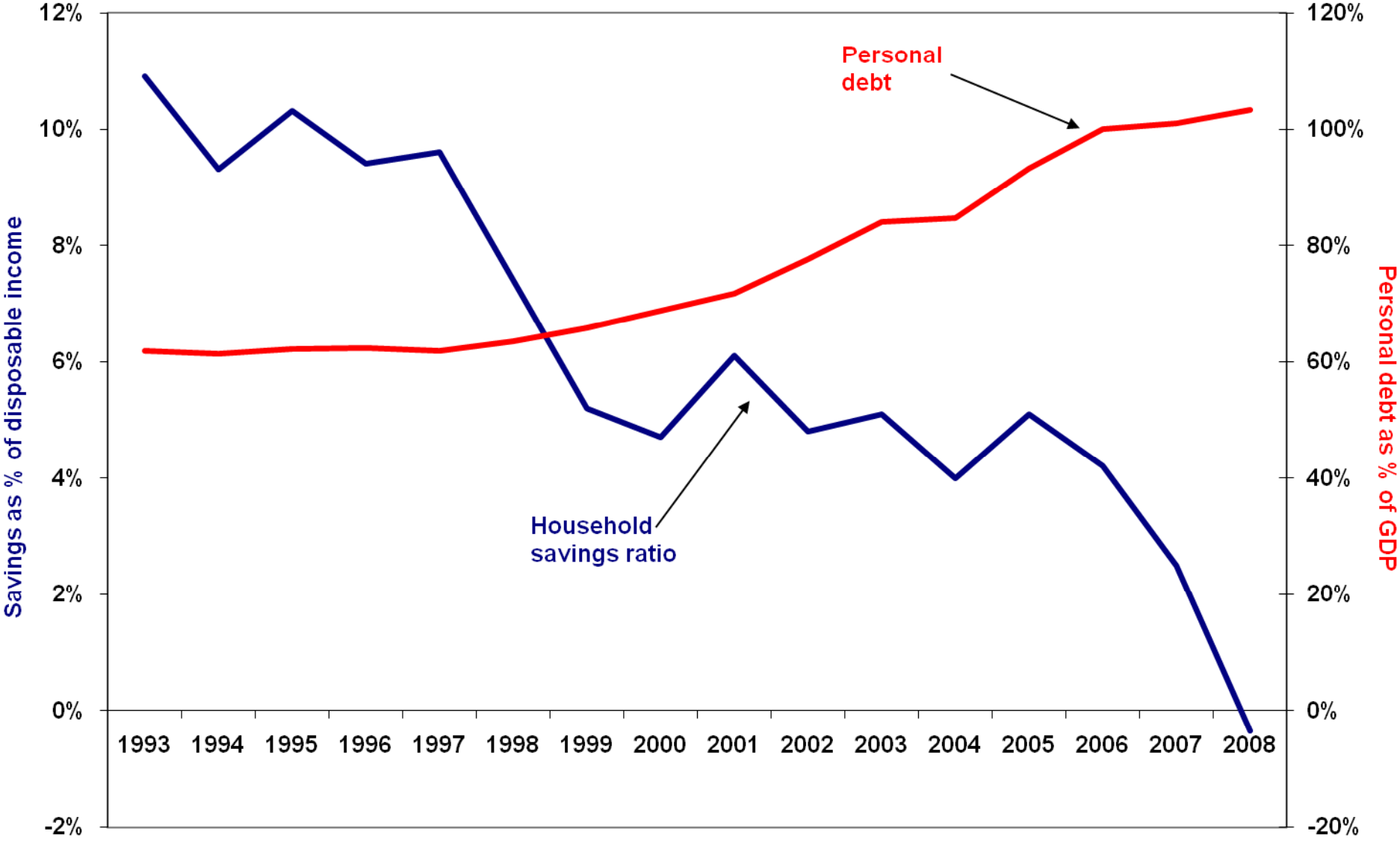


# The Dilemma of Growth

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



# The Engine of Growth





# Diagnosis

- **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.**



# Prognosis

**Another world is possible**

- **Another prosperity**
- **Another economics**
- **Another social logic**

# Another Engine of Growth?

**Green technology markets**

**Service-based activities**

**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

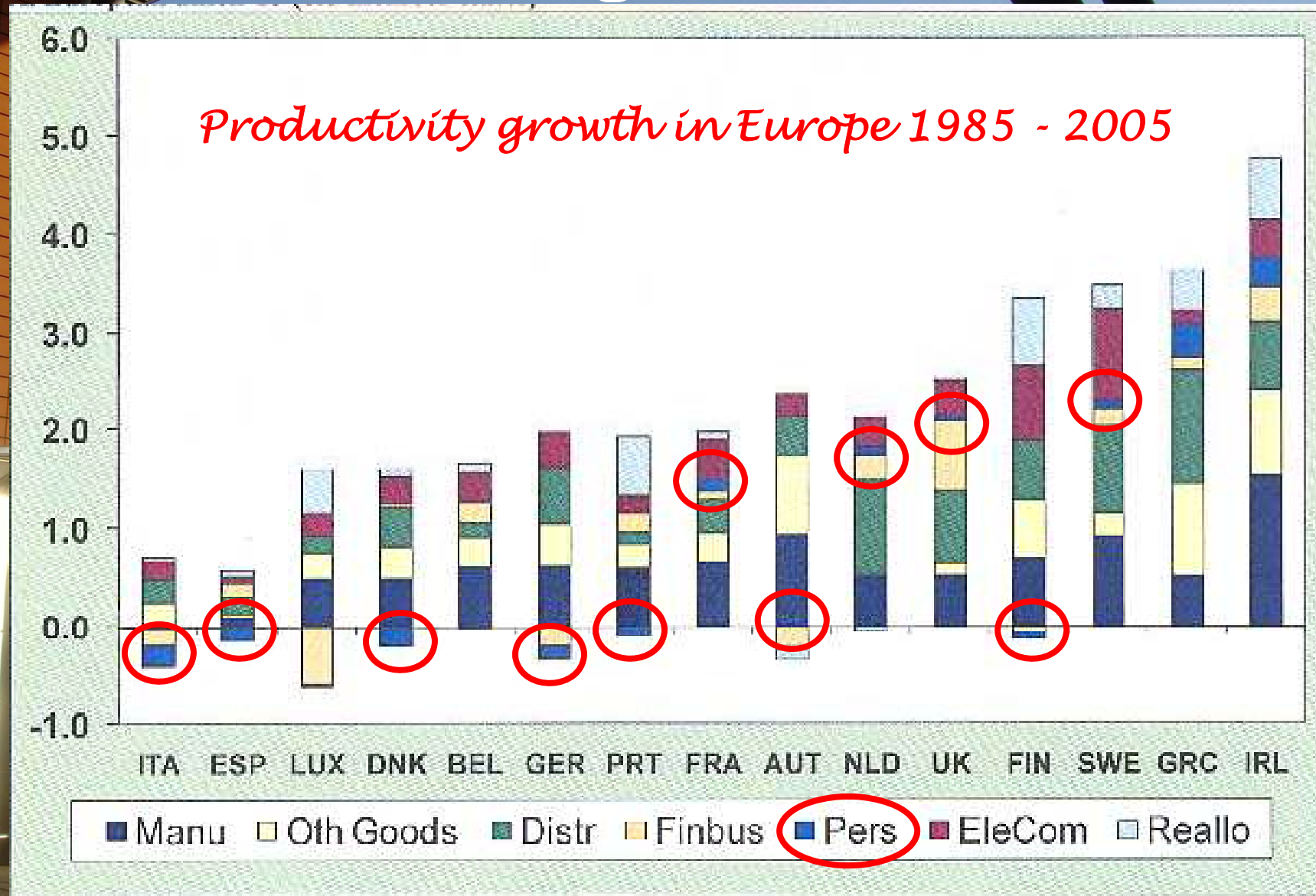
# Another Engine of Growth?

$$C + G + I + \underline{X} = \text{GDP} = Y(\alpha, L, K, R)$$

Consumption C  
Govt spending G  
Investment I  
Net export  $\underline{X}$

Productivity  $\alpha$   
Labour L  
Capital K  
Resources R

# Another Engine of Growth?



# Ecological Macroeconomics

## Investment

- ecological investment
  - investment targets
  - investment ecology
  - role of public sector



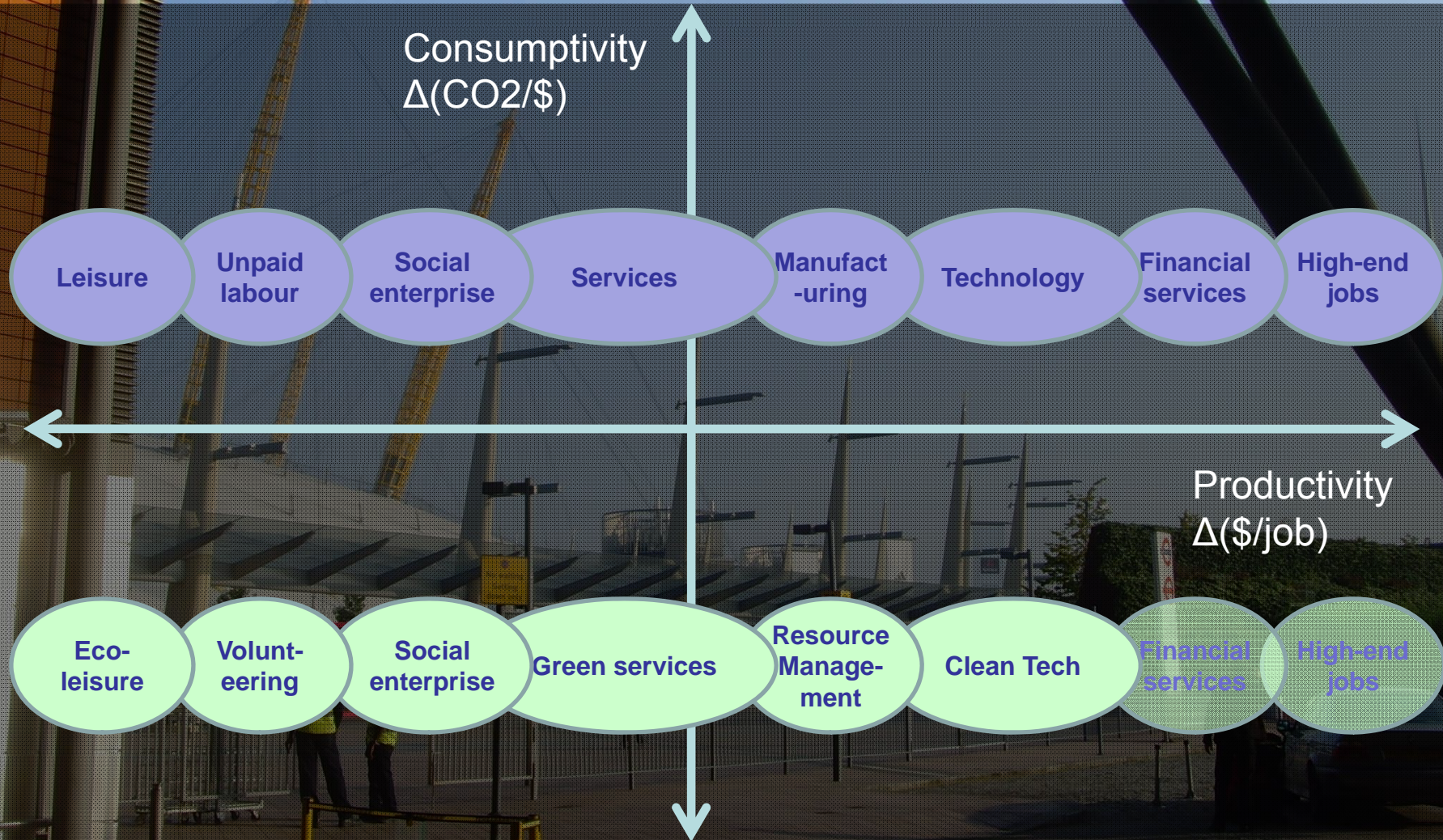
## Labour

- productivity revisited
  - sharing work
  - creating jobs
  - productivity spectrum



**Ecological limits**

# Ecological Macroeconomics



# Another Economic Engine?

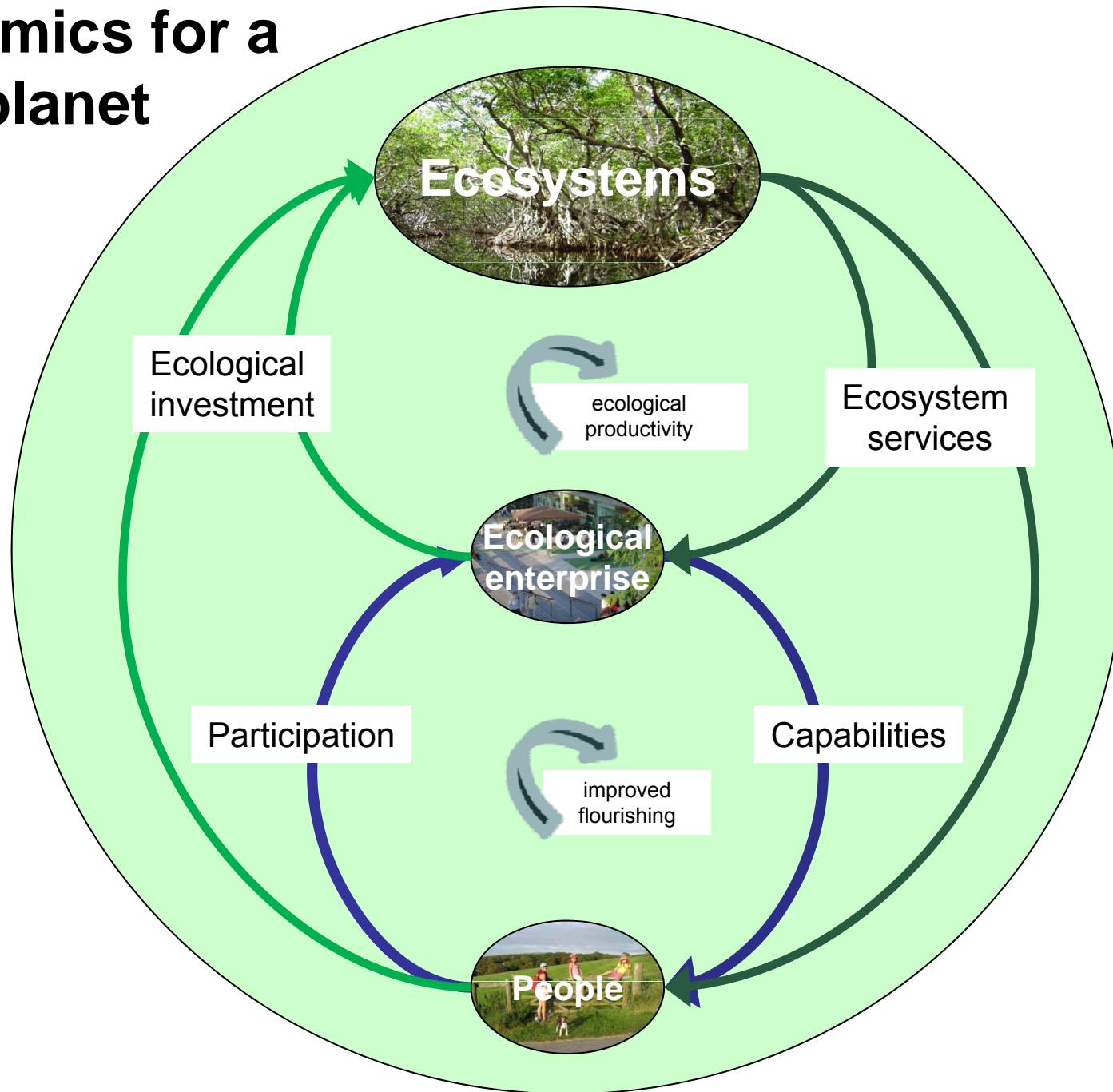
## Ecological Investment

- low carbon transition
- ecological assets
- livelihoods

## Ecological Enterprise

- provide capabilities
- support communities
- tread lightly

# Economics for a finite planet



# 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 an ecological macro-economics
5. Investing in jobs, assets and infrastructures
6. Increasing financial and fiscal prudence
7. Revising 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



# Ecological Macroeconomics

**Stability without growth**  
**The role of investment**  
**Employment and productivity**  
**Public sector sustainability**  
**Consumptivity**

**'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>**

