Fiche de lecture

Prosperity without Growth
Economics for a Finite Planet
Tim Jackson
2009

Ivon Lalova – Décembre 2013
Prospérité sans croissance
La transition vers une économie durable


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Résumé : Dans la pensée économique traditionnelle, une croissance économique continue est positivement corrélée avec la prospérité. La croyance selon laquelle de plus hauts revenus vont nécessairement aboutir à une meilleure qualité de vie, davantage de choix et de vies épanouies, est devenue un dogme. Notre consumérisme materialiste est devenue une logique sociale qui se réalise néanmoins au détriment de notre environnement et de la cohésion sociale. Tim Jackson insiste sur le fait que nous devons construire une économie durable, qui ne repose pas sur une croissance et une consommation continue, tirée par l'endettement, mais qui place la prospérité de l'homme en son centre, et permet à tous de s'épanouir dans les limites de notre planète finie.

Mots clés : Croissance, Découplage, Planète finie, Prospérité, Soutenabilité

Prosperity without Growth
Economics for a Finite Planet

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Summary: In the conventional economic thought, continuous economic growth is positively correlated with prosperity. The belief that higher incomes will inevitably deliver a better quality of life, more choices and more fulfilled lives has imposed itself as a dogma. This materialistic consumerism has turned into a social logic that is however detrimental to our environment and social organization. Tim Jackson insists on the fact that we need to build a sustainable economy, one that does not rely on a debt-driven constant consumption and growth, but one that puts human prosperity in its center, allowing people to flourish within the limits of our finite planet.

Key words: Decoupling, Finite planet, Growth, Prosperity, Sustainability.
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1. About the author and his work

Tim Jackson is a British ecological economist and Professor of sustainable development. He is currently the economics commissioner on the British government's Sustainable Development Commission and is director of the Research group on Lifestyles, Values and Environment (RESOLVE). After five years as Senior Researcher at the Stockholm Environment Institute, he became the Professor of Sustainable Development at University of Surrey, and was the first person to hold that title at a UK university. He founded RESOLVE in May 2006 as an inter-disciplinary collaboration across four areas—CES, psychology, sociology and economics—aiming to develop an understanding of the links between lifestyle, societal values and the environment.

He is the author of the popular book *Prosperity without Growth* that was published in 2009. The Sustainable Development Commission originally released it as a report that then rapidly became the most downloaded study in the Commission's nine-year history when it was launched earlier in 2009.
2. Summary

2.1 Overview

What is prosperity? How does it relate to our economy and its fundamentals? Can prosperity and a finite planet coexist? These are just some of the questions that Tim Jackson is trying to answer in his book *Prosperity without growth*. Prosperity is understood as the state of flourishing, thriving and good fortune and often encompasses factors which can be independent of wealth to varying degrees, such as happiness and health: simply put, a state in which things are going well for us. The system we live in nowadays tries to convince us through various mechanisms (TV news, politicians' speeches, corporate pronouncements, inducements to consume, etc.) – that our prosperity is tightly linked to whether or not GDP is growing and whether stock markets are performing well. These are the two main pillars for the version of capitalism on which most countries base their economies today.

Employment and savings, which are other ways of measuring prosperity, are based on these two. If GNP – the total value of goods and services produced by a nation – is in recession, then unemployment will rise, and that means growing numbers of frustration among people. If stock markets are not rising high, that means falling pension values, and rising numbers of un-prosperous retirees. All this just seems to lead to the conclusion that growth is this miraculous cure that can takes us as further away as possible from the “non-prosperous” world that is threatening our existence in fulfilment and joy.

Tim Jackson outlines two contradicting viewpoints:

"The idea of a non-growing economy may be an anathema to an economist. But the idea of a continually growing economy is an anathema to an ecologist."

These two however are at the basis of the challenge we are facing today:

"Questioning growth is deemed to be the act of lunatics, idealists and revolutionaries. But question it we must."

We are in a situation where we are trying to find a model of shared prosperity fit for a finite planet. Growth has delivered its benefits somehow unequally: a fifth of the world population earns just 2% of global income: the inequality even in OECD
nations is higher now than 20 years ago. Instead of improving the lives of the most needy, what the growth model has done for us is to let much of the world population down, benefiting instead the most well off. This brings along the topic of fairness of this growth-based system but, most importantly, it questions the level of impact this ever-growing economy can have on our society and ultimately, on our planet.

2.2 Argumentation and author’s suggestions

We can’t afford the level of economic output we have even at the moment. Then, where does an economic model that suggests a continuous growth can lead us? According to Tim Jackson, the answer lies in reducing the rate of resource use per unit of economic activity (i.e. decoupling) fast enough to go below these limits. But then the question that we need to ask ourselves is how fast can we go and how fast should we decouple our economic activities? The projections of a world of 9 billion people with an ever increasing income and carbon intensities mean that we will have to improve our existing global carbon intensity and we have to do this fast enough, in the context of an ever-growing economic model. The typical economist believes we can "decouple" GNP growth from resource use through the increased efficiency. This is a viewpoint intrinsic to capitalism: that we can grow our economies and reverse environmental degradation too.

However, Jackson does not believe in the theory where we “can have the cake and eat it too”. He argues that such "decoupling" is a myth. A key area of argument involves climate change. According to Jackson, if we keep growing GNP then we will not be able to cut greenhouse gases significantly. This means we view prosperity only in its short-term horizon i.e. “next quarter's growth figures”.

Jackson therefore invites us to examine a lot more seriously the system that we inherited. We have an economic structure that is conveniently linked to a sort of social logic of consumerism that is driving growth. But it is a very particular kind of growth:

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1 Tim Jackson in *Prosperity without growth*
one that is unsustainable and one that cannot accept stabilised levels as being pointed by the science of climate change, biodiversity and material cycles. In other words, the dilemma is the following: growth is unsustainable at least in the form we have it in the moment. De-growth, on the other hand, is unstable and we have no mechanism for de-growing the economy. As Jackson points it out, the outcome of this dilemma is that “we find ourselves locked in an iron cage in two mutually reinforcing dynamics”. One is the economic structure, which demands consumption growth. The other one is the purely social logic. The two together provide a good basis for continuing growth and a very bad one for wellbeing. In addition, government finds itself in a position of conflict. Its role as an institution is to maintain the social stability, which on its side depends on the economic stability. But if economic stability depends on growth, then government certainly is legitimate in pursuing its goal of maintaining economic growth. This leads us to the situation where our governments’ major preoccupation is the development of the economy based on growth, even if that same economy comes into conflict with other ecological and social goals.

Jackson believes that it is our responsibility to search for possibilities to create this lasting prosperity. He believes that we need to detach ourselves from the principles of the consumer society we live in and start consuming less "stuff" while seeking a type of prosperity outside the conventional trappings of affluence. This could be achieved within relationships, family, community and finding a meaning to our lives by contributing to the common wellbeing. This is also where Jackson stresses the importance of meaningful investments for the society, such as investments in public spaces and social goods. Public spaces are sights of cultivation of common citizenship, so that people from different social backgrounds can encounter one another and acquire a sense of shared life as citizen of a common venture. He believes that the sense of common citizenship is one of the casualties of over consumer society that we have allowed. This is why investment is crucial for creating the capabilities for people to flourish in less materialistic ways. This comes back to the initial question about prosperity: that prosperity it is not just about material pleasures but it goes beyond material concerns. It resides in all sorts of places: in the strength of our relationships with one another, in the health and happiness of our families, in our trust in the community, in our satisfaction at work and our shared feeling of meaning and
purpose. In one word, it is the possibility to participate meaningfully in the life of society. Prosperity consists in our ability to flourish as human beings within the ecological limits of the planet. And the challenge for our society therefore is to create the conditions under which this is possible. It is the most urgent task of our times, Jackson argues.
3. Comments

3.1 The reception of the report

Tim Jackson’s *Prosperity without Growth* has been one of the most influential and successful British works published in recent years. It has been used in numerous academic and scholarly publications, has had an important media coverage and policy impact and has been the basis for many political debates. Although the book has been mostly attributed to the work of Professor Jackson, its success is attributable also to the RESOLVE group as well as to the Sustainable Development Commission, which are the two organisations within which the report and the book were developed. In addition, the Economic and Social Research Council, which sponsored its creation, needs to receive credits for the success of the work.

3.2. Opinion of the author of this paper

*Prosperity without growth* is a work that demonstrates throughout its 12 chapters that “prosperity – in any meaningful sense of the word - transcends material concerns”, i.e. that human wellbeing cannot be further increased beyond a certain point. In addition, the book proposes a critical view on the relationship between prosperity and growth. It demonstrates that poor nations are in urgent need of fast economic development while questioning whether the ever-growing incomes of the already well off can be an acceptable goal for the current global policies in the context of a finite planet. I believe that what Tim Jackson wanted to achieve with his book was not simply to point out the growing ecological crisis and its underlying dynamics. Rather, the author wanted to propose relevant, coherent and ready-to-adopt policies.

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2 Review of Tim Jackson by Dr. John Barry, School of Politics, International Studies and Philosophy, Queen’s University Belfast

that the developed countries could put in place in order to facilitate the transition to a more sustainable economy. In a nutshell, the work questions the feasibility of an ever-growing economic expansion in the western countries by asking the question of whether we could achieve prosperity without growth. I personally believe that the answer to this question is yes. In the past 60 years, our society has based its existence on an economic model based on never ending consumption. Consumerism, capitalism and waste are the three nouns that have been defining our social order until now. The “*who I am*” has been replaced by the “*what I possess*”. Human prosperity has been now measured based on a continuous and often meaningless growth. It seems like the alternative views, whereby humans flourish regardless of their economic improvement, are hard to accept and often looked at with scepticism. However, I think that one of the big errors of our society is to equate quantity with quality, of more with better. We are currently surrounded by an overwhelming choice that not only does not make us happier, but it creates a sense of stressfulness, burden and often anxiety. What we seem to forget in the rush of the day is that the underlying requirements of prosperity go far beyond material possessions and include a social and psychological dimension. What Tim Jackson tried to remind us with his book is that the essence of human wellbeing is the joy of giving and receiving love, the respect for our peers, the feeling of fulfilment at work, the sense of belonging and trust in the community, among others. In summary, a crucial element for prosperity is the capacity to participate meaningfully in the life of our society.

Tim Jackson’s book thus proposes a sustainable alternative, arguing for a redefinition of "prosperity" in light of the evidence of what really contributes to people’s wellbeing.
4. Author's books and articles


5. References

- Sustainable Development Commission: Prosperity without Growth?, p. 103-107