Key Messages

- Economic growth has delivered ‘islands of prosperity’ to millions of people, but has left ‘oceans of poverty’ and unsustainable stresses on the global environment in its wake.
- Relieving this pressure will require technological efficiency gains, population stabilization, and changes to our lifestyles and aspirations.
- All of these are achievable and could lead to widespread improvements in the quality of life.

The Problem

The modern economy has delivered remarkable affluence to hundreds of millions of people worldwide. But the staggering economic growth behind this wealth generation has inflicted dangerous costs on the environment, even as billions more aspire to the same high standard of living.

How can a world of finite resources and increasingly tight environmental constraints support the expectations of 9 billion people (the mid-range population estimate for 2050)? Will they be able to live the lifestyle of the affluent West and the developed nations, especially when much of the Earth’s “environmental space” has been captured by the wealthy through their use of the world’s resources?

Innovations/Solutions

Freeing up environmental space for the poor, by reducing the impacts of economic activity, can be done in three ways:

- **Improving the efficiency of technology.** Great gains have been made in this area in recent years and enormous further gains are possible—in energy especially, but also in manufacturing, city planning and design, and so on. Some experts believe that resource efficiency—the amount of “bang for the buck” from resources invested—can be improved by a factor of 10 or more.

- **Stabilizing the human population.** Every environmental pressure is worsened by rising numbers of people. Hopeful signs can be seen in the many countries that have approached or achieved the “demographic transition,” which yields steady or even declining populations. Nevertheless, the planet’s total population is now approaching 7 billion and is expected to reach 9 billion or so by 2050.

- **Changing lifestyles.** With population set to increase, and even major technological efficiency improvements unable to do the job alone, easing the economic pressure on the global environment will mean adjusting our consumption patterns and changing our lifestyles, especially in the wealthiest nations.

None of this means accepting a lower quality of life. New research over the last 25 years or so has made it increasingly clear that ever-greater consumption is not only a false path to a fulfilling life, it can actually be harmful. Data from around the world suggest that, at lower levels of per capita income, more money can increase life satisfaction. But in countries where per capita income is over $15,000, there is virtually no connection between the two: more money does not improve life satisfaction. (See Figure.) The same effect can be seen within countries over time. Real per capita income in the United States, for instance, has tripled since 1950, but the percentage of people who say they are very happy has actually declined since the 1970s.

Other evidence—such as the rising rates of obesity and depression—suggests that too much wealth can actually translate into increased unhappiness. Highly materialistic people who define themselves through their money and possessions tend to report lower levels of happiness than others. And there appears to be a correlation between rising consumption and the erosion of things that really do make people happy, such as family stability, friendship, trust in others, and strong communities, which are declining in many wealthy countries.
Looking Ahead

To attack these problems and achieve sustainable consumption patterns—that is, living well within certain limits—requires a supportive social environment. All sectors of society can help to create this, but governments are the chief agents for protecting the social good and must take the lead.

Governments must set policy so as to support an infrastructure of sustainability: public transport, recycling, energy efficiency services, and so on. They must establish fiscal and institutional frameworks that send consistent signals to businesses and consumers about sustainable consumption—such as firmly setting a “social cost of carbon” to encourage internalizing the true cost of fossil fuels in market prices. Regulations that support development of durable and efficient products will also help move us toward a sustainable energy regime.

Government policies already play a large role in influencing peoples’ values, and that influence can be turned to sustainable ends. One example is government procurement policies: in many countries, government is the largest single purchaser of goods and services and can set production guidelines for these that support sustainability. Governments can also tap the many new indicators of well-being, beyond GDP, that better reflect whether policies or business initiatives actually make people better off.

One particularly crucial arena for action lies in advertising, one of the key drivers of the consumerist treadmill. São Paulo, Brazil, the fourth largest city in the world, has banned outdoor advertising. Mindful of the pernicious power of ads aimed at children, including their role in rising childhood obesity, Sweden has banned TV advertising to kids under 12.

The consumer society offers neither a durable sense of meaning in people’s lives nor any consolation for losses. Many individuals, communities, and political leaders are beginning to initiate a change, and millions have already discovered that treading more lightly on the Earth allows them to breathe more easily, in more ways than one.