

Possible Future Inquiries

Environmental Audit Committee

Written evidence from Prof Tim Jackson, CUSP, University of Surrey
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Background

1. The challenges facing the world and the UK today are unprecedented. A global health emergency, a global climate crisis; and a catastrophic loss of biodiversity, are undermining the basis for future prosperity in the UK and across the world. These impacts represent an urgent threat to human health and to the viability of our food chains and agricultural systems.
2. Prosperity today means little if it comes at the cost of survival tomorrow. We have known for decades that the GDP is a misleading indicator of social progress. Yet even in desperate times, Governments tend to prioritise GDP growth over social and environmental goals.
3. Reasons for this behaviour are to be found in a complex set of ‘growth dependencies’ which have developed in capitalist economies since the end of the second world war. Understanding and addressing these dependencies is vital—particularly at a time when GDP growth appears to be increasingly elusive.¹
4. This note is a response to the Environmental Audit Committee’s call for evidence on possible future inquiries.² It responds in particular to questions 1 and 3 in the call for evidence. It relates mainly to the proposed topic of Biodiversity and Ecosystem Services. But it has additional relevance for a broader enquiry into measures to support the economy through and after the COVID-19 crisis. It is clear that these measures should be designed to meet environmental and climate goals, rather than undermining them.
5. Tim Jackson is Professor of Sustainable Development at the University of Surrey and Director of the Centre for the Understanding of Sustainable Prosperity (CUSP)— a multidisciplinary research centre supported by the Economic and Social Research Council. He has over three decades of experience in research on the economic and social dimensions of sustainability and has provided advice and expertise to a wide number of public and private sector organisations, including the United Nations, the European Commission, the European Bank for Reconstruction and Development, the Bank of England, DECC, BEIS and Defra. He was for seven years Economics Commissioner on the UK Sustainable Development Commission. During 2019 he was an ‘ambassador’ for the Government’s ‘Year of Green Action’.
6. The principal objective of CUSP is to explore the question: what can prosperity possibly mean in a world of environmental, social and economic limits? Its guiding vision of prosperity is one in which people everywhere have the capability to flourish as human beings—within the ecological and resource constraints of a finite planet. CUSP’s research explores not just the economic aspects of this challenge, but also its social, political and philosophical dimensions. Ultimately, prosperity must offer society a credible and inclusive vision of social progress. The over-arching goal of CUSP is to contribute to that task. CUSP is also the secretariat for the All Party Parliamentary Group on Limits to Growth.

Q: What are the key issues that the Committee should consider under the Biodiversity and Ecosystem Services topic?

7. The Sustainable Development Goals and the 2050 Vision for Biodiversity cannot be achieved without transformative change, the conditions for which have to be put in place now.
8. Transformative change needs innovative approaches to governance and a realistic and responsible approach to the management of the economy.

1 | The trend rate of growth in GDP across the OECD declined from a peak of 4% per year in the mid-1960s to a little over 1% in 2019. See: https://www.cusp.ac.uk/themes/aetw/tj_ee_post-growth-challenge/. The impacts of the COVID-19 are likely to push the OECD (and possibly the world) into recession in 2020. See eg: <https://www.capitaleconomics.com/clients/publications/global-economics/global-economics-chart-book/world-economy-heading-for-recession/>; UK GDP grew by 0.1% in the three months to February 2020 <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/february2020>

2 | <https://committees.parliament.uk/call-for-evidence/75/possible-future-inquiries>

9. Alternative models and measures of economic welfare (such as inclusive wealth accounting, natural capital accounting and post-growth models) are increasingly considered as possible approaches to balancing economic growth and conservation of nature and its contributions and recognizing trade-offs, value pluralism and long-term goals.³
10. In order to protect ecosystem services and reduce the environmental impact of economic activity, governments need to move towards a steady state economics paradigm and develop a post-growth agenda; this requires disentanglement from the various growth dependencies.⁴

Q: Why should the Committee consider this inquiry as a priority?

11. The Committee should prioritise an inquiry on post COVID-19 recovery which addresses in particular the ‘growth dependency’ of the UK economy. Understanding policy in a ‘postgrowth’ environment is absolutely essential in the context of a global health crisis, climate change, biodiversity crises, against a background of secular stagnation in global growth rates and trade patterns.
12. Capitalism contains a complex set of ‘growth dependencies’ that tend to militate against changes to the over-arching model. The pursuit of growth in GDP becomes the default policy position, even when it is understood that the measure of GDP is flawed and the environmental impact of continued economic growth is not sustainable.⁵
13. There have been several recent proposals to understand these ‘growth dependencies’ and find ways to mitigate them. For instance, a recent [EESC position paper](#)⁶ argues that the transition to a wellbeing economy must start by adopting a ‘precautionary approach’ in which social stability does not depend on GDP growth. A group of 238 academics across Europe recently penned an open letter calling on governments to ‘[end the growth dependency](#)’⁷ of the European economy. The European Parliament held its first [Post-Growth Conference](#)⁸ in September 2018 and will hold a second later this year. In its own Davos 2020 conference programme, the Deutsche Bank asks “[Is growth an illusion?](#)”⁹; and even the UK Ministry of Defence in its sixth [Global Strategic Trends report](#)¹⁰ acknowledges that “Economic growth could become ever more elusive for developed economies. Economic paradigms and assumptions need to be carefully considered and planning considerations need to be realistic.”
14. A recent report to the German government articulated a [precautionary ‘post-growth’ approach](#)¹¹ to achieving wellbeing within planetary boundaries. The report called for policies which are future-proofed against the possibility that economic growth might not be achievable in the same way that it has been historically, particularly if key environmental and social goals are to be met.
15. Specific policies to reduce growth dependency could include shifts in taxation from labour to pollution (for example) to reduce the costs of labour to employers, shift the incentives away from labour-saving capital investments and towards less-damaging patterns of production and consumption and the introduction of a universal basic income.
16. Opportunities also exist for new models of pension provision, healthcare and social security which rely less on economic growth. Deeper changes to the monetary and fiscal rules under which government operates may also have some part to play in reducing growth dependency. These will also be critical to economic recovery from the COVID-19 pandemic.

3 | IPBES Global Assessment on Biodiversity and Ecosystem Services. Chapter 6—Options for decision Makers. (Draft, 2019)

https://ipbes.net/sites/default/files/ipbes_global_assessment_chapter_6_unedited_31may.pdf

4 | Tackling Growth Dependency, Policy Briefing: <https://www.cusp.ac.uk/themes/aetw/briefing-paper-no3/>

5 | Unravelling the claims for (and against) green growth: <https://science.sciencemag.org/content/366/6468/950>

6 | EESC calls for a new vision of prosperity: <https://limits2growth.org.uk/news/towards-a-wellbeing-economy-eesc-calls-for-a-new-vision-of-prosperity/>

7 | The EU needs a stability and wellbeing pact, not more growth, The Guardian: <https://www.theguardian.com/politics/2018/sep/16/the-eu-needs-a-stability-and-wellbeing-pact-not-more-growth>

8 | <https://www.postgrowth2018.eu/>

9 | Deutsche Bank event programme at WEF Davos 2020—Is Growth An Illusion: <https://www.db.com/company/en/davos--the-world-economic-forum.htm>

10 | The Future Starts Today, Global Strategic Trends Review: <https://www.gov.uk/government/publications/global-strategic-trends>

11 | Social well-being within planetary boundaries—The precautionary post-growth approach, Deutsches Umweltbundesamt, 2018: https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/uba_texte_89_2018_precautionary_post-growth_approach_executive_summary.pdf

17. Exploring and articulating these strategies clearly requires a degree of political will and a significant investment in 'postgrowth' research and innovation. But in the light of the potential threats to economic growth from COVID-19, climate change, biodiversity loss and social disruption, such a strategy is fully consistent with economic prudence. Knowing how best to ensure continued social wellbeing in a post-growth environment is essential, particularly when growth itself can no longer be taken for granted.