

Economic Growth: A “future thing of the past”?



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Economic growth is often seen as an important pillar of modern life styles. However, it rests upon increasing production and consumption, which in turn increases the use of resources. Nowadays, awareness for the finite nature of fossil fuels, as well as for clean air, soil and water is gaining ground. This raises the question on how to deal with economic growth in the future. Is it something that can or should be maintained? A few thoughts:

Growth per se is not negative. In fact, the Cambridge Dictionary defines it as “the act or process of growing, increasing, developing”. This can include various matters: Child growth, plant growth, or personal growth for instance. They all increase our quality of life, while not significantly harming the environment. This is also pointed out in a briefing recently published by the European Environmental Agency (EEA): “While the planet is finite in its biophysical sense, infinite growth in human existential values, such as beauty, love, and kindness, as well as in ethics, may be possible.” Growth, as such, is therefore possible and desirable, if we want to transform into a more sustainable society. To advance sustainable growth, urgent action is needed. Companies that pursue expansion in areas that are not environmentally harmful and which work towards inclusive, resilient societies, need to be recognized and

supported. Best practice examples need to be found, shared and appreciated. Knowledge sharing plays a key role in this context and therefore events like the ESDN Peer Learning Platforms are essential for the empowerment of key stakeholders.

The transition towards a more sustainable economy needs to happen worldwide. However, Europe is an excellent starting point, especially because its core values are not based on immaterial issues. Regarding this, the briefing by the EEA rightly emphasizes: “The European heritage is much richer than material consumption. The fundamental values of the EU are human dignity, freedom, democracy, equality and the rule of law, and they cannot be reduced to, or substituted by, an increase in GDP.”

Originally used to calculate economic and military potential of the US in the advent of World War II, GDP has become synonymous with political success throughout the 20th century. However, it says nothing about some of the most crucial aspects of life: happiness and wellbeing. This is why some countries chose to develop other indices. Nepal, for instance, has developed the Gross Happiness Index, which is calculated upon peoples’ satisfaction in nine different areas, including their health situation, the state of the environment and their social surroundings. If we want to establish growth in areas such as social welfare and environmental sustainability as even more desirable than economic growth, re-thinking our main indicators might be a promising first step.

To sum up, rather than decoupling “economic growth” from “environmental degradation”, we need to decouple “growth” from “economic”, as well as from the negative perception with which it is associated. Focusing less on economic growth, but rather on increasing other means of modern life, which are more sustainable, should be our main goal. Europe – built upon immaterial ideals – is an excellent area to foster this

attitude. However, when put into practice, we need to make sure we support actors who engage in sustainable growth, as well as change what we measure. After all: “What gets measured, gets done”.