

**This is a contribution to the Special Session on: Degrowth and History. Economics, Sustainability, Power, organized by Matthias Schmelzer and Iris Borowy**

**“Sustainable Development’: the International Struggle over Wealth, Distribution and Limits”**

## **Long Abstract**

While the idea of sustainability has a long tradition, arguably going back to the beginning of agriculture, the concept of “sustainable development” is of recent origin. Virtually unknown until before, the term appeared around 1985 and experienced a steep rise in after 1992. This paper explores the reasons for its emergence and the complications underlying its subsequent evolution.

In the twentieth century, and especially after 1950, the availability of enormous amounts of fossil energy and global population increases led to unprecedented economic growth. More materials were transformed into productive infrastructure, consumer goods and, ultimately, waste than ever before in human history. This enormous increase in wealth tangibly improved the living standards of millions of people, and after World War II, industrialization and a growth-centered economy were generally perceived as ‘development,’ a seemingly natural process, which ‘developed countries’ in the ‘North’, i.e. North America and Europe, had already undergone and which ‘underdeveloped’ or ‘developing countries’ in much of the rest of the world, mostly in the ‘South’ would go through in time and supported by ‘development aid’. International organizations like the United Nations and the World Bank but also virtually all governments and mainstream media adopted this view and sought to spread well-being through economic growth.

However, by the late 1960s this understanding was challenged when it became increasingly difficult to overlook that global economic inequality was not disappearing as expected while the growth-based economy was causing substantial environmental degradation. These doubts gave rise to two new development theories: dependency theory, which postulated that Northern wealth resulted from the exploitation of the South, so that growth-based development was not the solution to but the cause of their poverty; and steady-state economics, which conceptualized the economy as a sub-system of the environment and called for development within an economy, whose overall size remained constant.

Given its obvious deficiencies, mainstream growth-based ‘development’ could not totally silence alternative views, but nor could these alternatives fully win the hearts and minds of a critical mass of expert or popular support. In reality, none of the three theories could provide a satisfactory solution to the fundamental problem of how to gain the benefits of affluence without also reaping its drawbacks of unfair social distribution and of dangerously trespassing environmental limits. The dilemma was simple: the policies needed to achieve wealth, fair distribution and life within physical limits are not easily compatible or acceptable.

Of the theoretically effective strategies, three (A.1., B.1. and C.1.) were flatly contradictory and the remaining two (B.2., C.2., C.3.) appeared to contradict empirical evidence or faced determined opposition in large parts of the world.

Goal	Strategy	Problem
A. Wealth	1. Increase production and consumption (economic growth)	Contradiction to C.1.
B. Fair distribution	1. Increase overall production and consumption	Contradiction to C.1. Empirically doubtful effect
	2. Redistribute existing wealth	Rejected in North
D. Life within environmental limits	1. Restrict production and consumption	Contradiction to A.1 and B.1.
	2. Restrict population	Rejected in South
	3. Technological progress	Rebound effect

“Sustainable development” was an attempt to find a development model which would offer a way out of this dilemma. Its key element was the concept that economic growth would allow ending poverty and could be made compatible with global physical limits if it was modified accordingly.

The beginning was made at the OECD, where studies during the early 1980s demonstrated that environmental regulations during the preceding ten years had supported rather than obstructed economic growth. This idea merged with an insistence in many Southern countries of poverty as the “worst polluter,” suggesting that rising living standards among the poor would stop forcing them to destroy their long-term life-support systems for short-term survival.

A key role was played by the Brundtland Commission, commissioned by the UN in 1983 to provide recommendations for “sustainable development” until 2000. Its 22 members from 21 countries and various professional backgrounds had a difficult time arriving at a consensus but eventually produced a report with an analysis of the complex difficulties and a long list of recommendations. These recommendations included the establishment of a global risks assessment programme, the legally binding commitment of national governments to ‘observe the principle of optimum sustainable yield in the exploitation of living natural resources and ecosystems’ and to assess all major new policies regarding their effect on sustainable development, the introduction of a procedure for automatic financial transfers through the taxation of use of international commons, international trade or international financial measures. Its central theme was that the economic growth was necessary for global social justice and could be made compatible with environmental exigencies if ecological considerations were integrated into economic decisions at an early stage and at all levels. The result was a compromise between a scientifically precise analysis and a message which was sufficiently acceptable to be accepted by a critical mass of people. According to a subsequent study, these measures would not have been sufficient to actually produce a sustainable economy, but, if implemented, they would have profoundly transformed international economies towards a more ecologically benign form.

During the following years, the concept was taken up in numerous international conferences, notably the UN Conference on Environment and Development in Rio, 1992, and in Rio+20 in 2012, but also in countless research programs, policy announcements, NGO activities, corporate advertising and in mainstream discourse. While environmental groups have condemned the endorsement of growth in sustainable development, representatives of corporations, politicians, but also normal citizens have tended to welcome the idea that of environmentally benign economic growth as a way of seemingly gaining environmental protection without making painful changes in everyday decisions. Both have largely overlooked the profound systemic changes also included in the concept.

During the following decades, developmental discussions and initiatives such as the international conferences and the Millennium Development Goals have focused on poverty reduction, a goal which is also considered essential for sustainable development, while redistribution and a reduction of consumption have received less attention. Arguably the most difficult question pertains to the need for income and wealth redistribution, inherent in a situation of a need for increasing living standards among the poor, which cannot be gained from overall economic growth. Ironically, certain extreme right-wing groups, mostly centered in the USA, who misrepresent the concept of sustainable development as a ploy to establish a tyrannical world government, in some ways appear to come closer in grasping the radical repercussions of the concept, when taken seriously, than many groups who support it.

In the early twenty-first century, the key dilemma of development remains unsolved, that it is precisely the form of development, which has been essential to improve living standards and to food for a rapidly growing population, which has also led to a degradation of 60% of ecosystem services and an increase in socio-economic inequities. Continued or renewed discussions are needed on a development concept which would allow equitable well-being for a long period of time.