

Beyond Steady State Economics

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CENTER for the
ADVANCEMENT of the
STEADY STATE ECONOMY

www.steadystate.org

Introduction

- This is a story about our Survival
- All about a shift to a more valid paradigm
- Physical impossibility and political impossibility

Introduction

- We live on a spaceship
- A ball of rock hurtling through space cloaked in a thin veil of life – the biosphere
- The web of life continually replenishes the biosphere and keeps it in a stable far from equilibrium state unlike the Moon or Mars
- The biosphere is like a solar powered factory
- It is the primary economy and spontaneously produces matter and energy that is concentrated, structured and organised and therefore is useful

Planetary Emergency

- ❑ Most of the ecological and biophysical gauges in the cockpit of spaceship are in the red zone
- ❑ We are in a planetary emergency!
- ❑ Impacts are so great – Anthropocene - a new era
- ❑ In terms of Ecological Life Support:
 - ❑ CO₂ is at 390 ppm. Safe level is 350 ppm
 - ❑ Sixth major extinction event of all time
 - ❑ Humanity has overshoot the carrying capacity of the planet

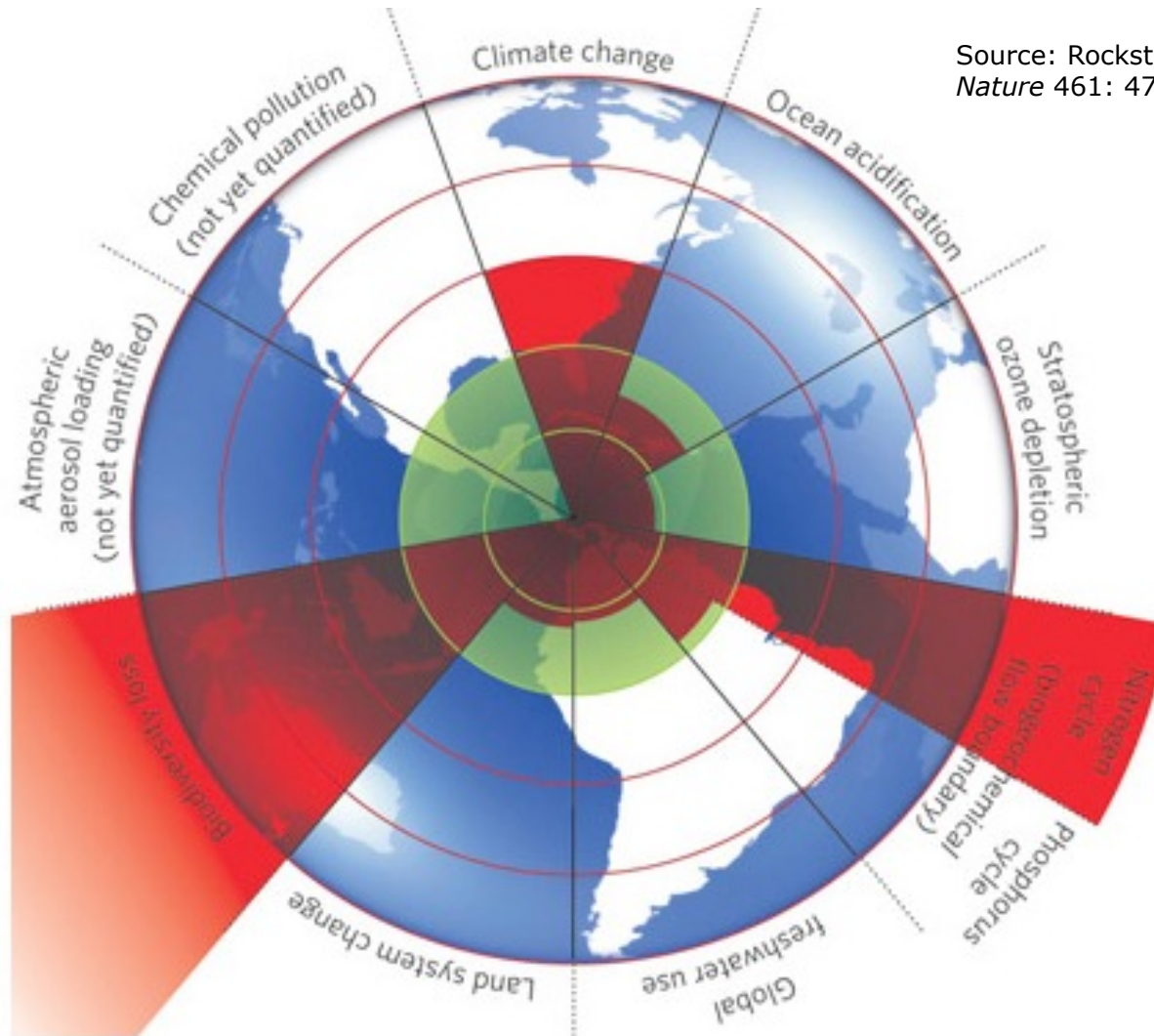
Planetary Boundaries

- Study in *Nature* in 2009 - Rockstrom et al. 2009, *Nature* 461: 472-475.

- Nine planetary boundaries that define the “safe operating space” for humanity on the planet

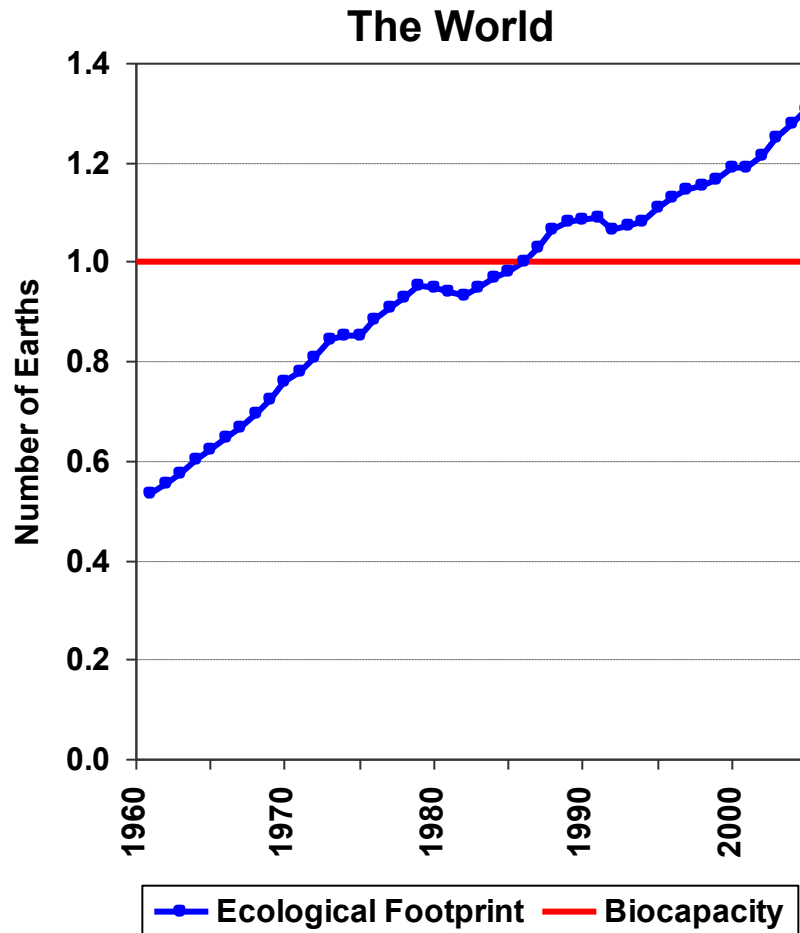
- Relate to earth-system processes:
 1. Climate change
 2. Biodiversity loss
 3. Nitrogen and phosphorous cycles
 4. Stratospheric ozone depletion
 5. Ocean acidification
 6. Global freshwater use
 7. Change in land use
 8. Atmospheric aerosol loading
 9. Chemical pollution

Planetary Boundaries



Source: Rockstrom et al. 2009, *Nature* 461: 472-475.

Global Ecological Overshoot



Source: Global Footprint Network

- We are in a state of *overshoot*
 - Resources are being used faster than they can be regenerated
 - Wastes are being produced faster than they can be assimilated
- Economic growth is liquidating our planet's ecosystems and will lead to the collapse of human civilisation

The Sustainability Problem

- ❑ The physical scale of the global economy can no longer be sustained
- ❑ Decades of economic growth has not addressed the growing gap between rich and poor
- ❑ Economic growth is the root of the multi-dimensional planetary emergency that threatens the future of human civilisation

Steady State Economics

- Internationally agreed sustainability criteria are inter- and intra-generational equity
- Intergenerational equity – non declining stocks of the various forms of critical natural capital through time = steady state
- intra-generational equity

Steady State Economics

- Herman Daly/ CASSE recommendation - Transition to 100% reserve financial system
- Impose ecological and equity constraints on the economy and use the market to allocate resources within those constraints
- Fractional reserve financial system on any planet would result in overshoot, growing inequity and GFC (structurally locked in – not because of greed)

Steady State Economics

- Can the market allocate within the constraint?
- Absolute scarcity cannot be allocated by the market
- Polanyi - economic relations separate us

Return to the Commons

- A return to the Commons?
- Rights for Nature
- Usufruct rights for humans

The Way Forward



- Start the Conversation
- Join the Dots & Movement Building
- From Corporate Power to Democracy
- Focus on Roots to Unify the Diversity
- Vision of a Civilisation Worthy of Humanity

The CASSE Position



- Position statement on economic growth
 - Recognises the conflict between growth and environmental protection
 - Calls for the transition to a SSE
- Purpose
 - Demonstrate the level of support for a SSE
 - Advance the SSE in policy discussions
- Endorsements
 - >8000 people, >173 organisations

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Thank you!

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