Cents and Sustainability: Securing our Common Future by Decoupling Economic Growth from Environmental Pressures

Smith, M.H., Hargroves, K.C., & Desha, C. (2010). Publisher: Earthscan, London, ISBN 9781844075294, pp. 405.
Reviewed by Geoffrey Hope, Emeritus Professor, Australian National University

Cents and Sustainability quite rightly starts from the premise that our present trajectories cannot and will not continue for very long and that change is inevitable. The book tries to answer the question of what planning, cooperation and existing technologies might achieve to realise improved living standards for everyone without destroying the environment on which we depend. Zipping past 7 billion the other day, the world population figures startled those of us who have accepted the spiel of conservative demographers who have been predicting a flattening out at a mere 9 billion in 2050. Improved living standards for all is a sobering idea, since the book points out that if 1.5 billion Chinese in 2050 had three cars for every four people (like the United States [US]) that would mean 1.1 billion additional cars — there are only 860 million cars on the planet at the moment and world oil supply is not about to double. And that still leaves an extra 4 billion left with low living standards. Since growing until we collapse will irreparably damage our ecology some alternative to a collapse must be sought. Smith, Hargroves and Desha say that the only practical answer is decoupling economic growth from environmental pressures, largely by clever thinking leading to urgent action and significant investment in smarter technology. Consumption and population must also change towards reduced environmental damage but not lower living standards, for example by giving up burning carbon for energy but not the services energy delivers. The major theme of the book is that trying for sustainability is not a political death sentence, nor a return to the Stone Age. Economic growth can continue if environmental costs can be unhitched from rising standards of living.

Cents and Sustainability is intended as a source book for political and business leaders that can provide them with factual arguments to support action for change and defeat the inevitable obstructionists and vested interests. It is full of examples of significant advances across all the main areas of economic activity — energy, transport, waste water, food and the 'stuff' we consume. We can improve transport efficiencies, switch to renewables, substitute coal with green electricity, reduce food and water waste and air pollution. In many cases it may pay to do it, with early adopters rewarded with savings in costs. This is counter to industry groups who usually claim that any change will be ruinously expensive and will export jobs to countries that do not innovate. An analysis of the actual costs to business of changes such as carbon-neutral manufacturing or ending chlorofluorocarbon (CFC) production, against the costs predicted before remediation, showed that the initial predictions are typically 2 to 5 times greater than the actual costs. Smith, Hargroves and Desha quote a U.S. study that points out that these initial estimates of the cost of change were not always an attempt to stall or avoid change. The much lower actual costs were because, in practice, people usually find new and efficient ways to implement new processes. However, some activities, for example air travel, do not have clear solutions to reduce environmental cost.

In the context of influencing leaders to act and commit real resources, human-caused climate change is a major actor because it provides a motive for urgent action and economic renewal. The threat of major economic consequences from greenhouse gasses (GHG) has the incentive of major economic opportunities as we replace our transport and energy infrastructure. It also lets all the unmentionable contributors: massive population growth, the exhaustion of resources such as fish and soil, a parasitic and inequitable financial system and obscene overconsumption be included without frightening the politician into pulling the doona over her head and hoping it will all go away. So the book is full of good news — electricity consumption per head flattening out due to efficiency gains, carbon per petawatt hr (billion kilowatt hr) actually declining, New Delhi converting to low polluting transport over three years (as a result of law suits forcing a reluctant government to act). Smith, Hargroves and Desha offer a blueprint to achieve GHG stabilisation with very minor economic consequences. The speed with which decoupling can act is carefully defined.

There is a tendency to gloss over the 'who pays' problem — it might only cost 50 billion to achieve savings of 400 billion, but an elite with the 50 billion (for example a power company) probably prefer that someone else spend money on the solution. At the global scale the best example is the trivial cost (0.7% GDP for the G20) of bringing basic health and education to everyone, compared to the annual spend on arms or gambling in the developed world. Western governments have found this all

too difficult, although when their interlocking financial system was threatened recently they jumped through a far bigger hoop with alacrity and notable unanimity. The book nevertheless insists that only urgent government action (free to an extent from vested interest and able to mandate a level field) can get decoupling happening on the scale required.

The book is organised as a discussion of decoupling and its application to rich and poor countries, followed by thematic chapters such as GHG, water, air and biodiversity. Each chapter has copious tables and comprehensive sources at every turn. It is remarkably global in scope and impressively balanced, compared to many Euro- or U.S.-centred treatments. Its authors, based at the Australian National University and Griffith University, are science and engineering-trained but have tackled economic and political questions with insight and a comprehensiveness that is often missing from the somewhat theocratic views of economists and political scientists. Since economists usually ignore the opinions of non-economists, the book has numerous endorsements from economists and major figures — there are 42 pages of endorsements, introductions and prefaces to add gravitas. It also contains so much helpful source material that it should prove an exception. Scientists are often criticised for standing aside from action on broad environmental questions, but these authors bring their understanding of the real physical limits of nature to critically examine the theorising and modelling of those who are unwilling to face reality. AAEE readers used to curriculum wars may find the call for rapid curriculum change to supercharge the reskilling of huge numbers of us from old to 'green' jobs somewhat aspirational.

It is inevitable that a book with projections of future change will be instantly out of date. For example on page 116 a 1998 world population graph is used that predicts the population in 2011 as 5.4 billion, including an actual decline in 'more developed countries' after 2000. As the book was prepared in 2008–09 it could have shown actual figures to that date. But as a source book and comprehensive review of what is realistically possible to move towards sustainability I think it is an insightful and rare contribution to an informed view, and an antidote to the doom and gloom tomes that seek to frighten us into urgent action but often induce paralysis. Despite its focus on top-down solutions it is a useful resource for teaching at all levels and for encouraging dialogue between the informed public and their 'masters' — the technocrats and politicians who control the levers, in the service, some cynics would remark, of narrow sectional interests.

Reviewer Biography

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