Growth + Resources

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» It's a dilemma: it does not work without growth, there is no completely green growth, and normal growth inevitably leads to ecological disaster.

Translated from: Ulrike Herrmann. Book: Goodbye, Kapitalismus: So kann der Übergang zu einer neuen Wirtschaftsordnung gelingen. 2022

We have to face the growth dilemma that is

- Giving up on growing our current economy means the ***risk*** of economic and social collapse.
- Maintaining the conventional growth means the ***risk*** of destroying global ecosystems that are our basis of existence.

  Tim Jackson. Prosperity without Growth - Foundations for the economy of tomorrow. 2016

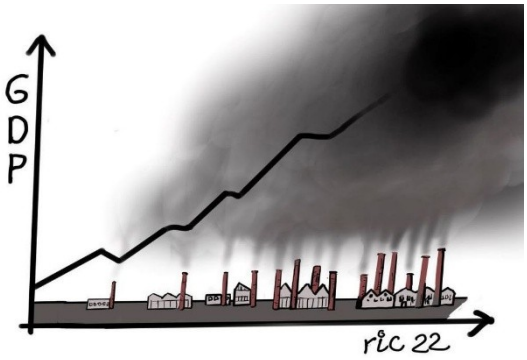
» It is clear that there are no simple answers to this - none that could be proposed without proposing at the same time a transformation in the whole of the way we think, work and order our lives.

David Fleming, Surviving the Future: Culture, Carnival and Capital in the Aftermath of the Market Economy. 2016

» Three per cent growth means doubling the size of the global economy every twenty-three years. This might be OK if GDP*) were just plucked out of thin air. But it's not. It is coupled to energy and resource use.

Jason Hickel. Book: Less is More. How degrowth will save the world. 2020

) **GDP stands for gross domestic product and represents the total monetary value of all final goods and services produced and sold within a country during a period of time.*



» Continued growth isn't a fairy tale, it's a necessity. But not *just any growth*.

The power of the market needs to be directed to achieving what society wants. That requires measures of income and welfare that reflect our values.

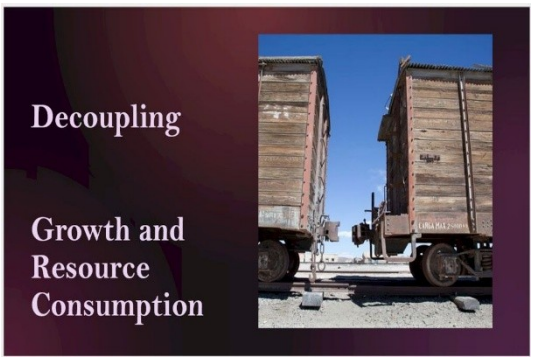
We need a world where we are no longer guided solely by measures like gross domestic product GDP.

Mark Carney. Book: Value(s) – Building a Better World for All. 2021

» We urgently need a *clear vision*, a *bold policy,* and a truly *robust strategy* to find the way out of the growth dilemma.

The growth dilemma is barely taken into account by the normal policy-makers and is mentioned only marginally in public debate.

Tim Jackson. Book: Prosperity without Growth - Foundations for the economy of tomorrow. 2016



The *conventional* response to the growth dilemma is the call to decouple economic growth from resource consumption by means of more efficient production processes.

However, more efficient production means an increase in productivity, and this results in additional growth with corresponding resource consumption.

» In the economy, all efficiency gains are in principle translated into additional economic activity. This reinvestment of efficiency gains is the basic economic principle unterlying growth and profits.

Beckert Jens. Book: How We Sold Our Future. The Failure to Fight Climate Change. 2025

» So far, global environment and climate policies have at best achieved ***relative decoupling****) - measured by GDP - between GDP and resource use respectively greenhouse gas emissions.

*Helmut Haberl et al 2020. **A systematic review of the evidence on decoupling of GDP, resource use and GHG emissions**, part II: synthesizing the insights. Environ. Res. Lett. 15 065003. PDF*

) A **relative decoupling of resource consumption and economic growth means that although resource consumption increases less strongly in a more sustainable but still growing economy, it still increases.*
*In the case of an **absolute decoupling**, resource consumption would no longer increase despite a growing economy.*

There is a controversial debate about whether so-called *Green Growth* can achieve an absolute or at least sufficient decoupling of growth and resource consumption in the future.

For the time being, it has been shown that there is an absolute decoupling between growth and CO_2 emissions - at the regional level, not globally.

» In fact, over the past decade, some rich countries have reduced their CO_2 emissions while increasing their gross domestic product and hence achieved an absolute decoupling. But, at the achieved rates, these countries would on average take more than 220 years to reduce their emissions by 95%.

*Jefim Vogel and Jason Hickel. **Is green growth happening?** An empirical analysis of achieved versus Paris-compliant CO2 – GDP decoupling in high-income countries. www.thelancet.com/planetary-health Vol 7. September 2023*

» The analysis of data from 1,500 regions over the past 30 years showed that 30 percent have managed to lower their carbon emissions while continuing to thrive economically. The authors caution that the current pace of decoupling is insufficient to meet the global climate target of net-zero carbon emissions by 2050.

Green growth: 30 percent of regions worldwide achieve economic growth while reducing carbon emissions. Potsdam Institute for Climate Impact Research. October 2024

» It is a cause for great concern about the prevailing focus of policy makers on green growth, this focus being based on the flawed assumption that sufficient decoupling can be achieved through increased efficiency without limiting economic production and consumption.

*Parrique T. etal. 2019. European Environmental Bureau. **Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability**. PDF*

» Absolute decoupling that would happen quickly enough is a myth. A comprehensive meta-analysis of more than 800 peer-reviewed studies concludes that “the observed decoupling rates are insufficient to rapidly reduce resource consumption and greenhouse gas emissions in absolute terms“.

Translated from: Emanuel Deutschmann. Book: Die Exponentialgesellschaft. Vom Ende des Wachstums zur Stabilisierung der Welt. 2025

» Circularity is important in advancing a sustainable and just development agenda. Ensuring economic and social development without exceeding our planetary boundaries is the challenge of the 21st century.

By reducing the need for primary materials and the associated greenhouse gas emissions linked to the extraction and processing of those resources, circular economy actions can make an important contribution to climate action.

***The circular economy in motion**. European Investment Bank. 2024*

» Increasing resource use is the *main driver* of the triple planetary crisis. A projected 60 per cent growth in resource use by 2060 could derail efforts to achieve not only global climate, biodiversity, and pollution targets but also economic prosperity and human well-being.

Reducing the resource intensity of food, mobility, housing and energy systems is the best and only way of achieving the sustainable development goals (SDGs), the climate goals, and ultimately a just and liveable planet for all.

*United Nations Environment Programme. **Global Resources Outlook 2024 Summary**. Bend the Trend – Press Release. March 2024*

» Resource extraction and processing are responsible for 90% of global biodiversity loss, 50% of global greenhouse gas emissions, and over 30% of air-pollution-related health

impacts.

Piotr Barczak. How a circular economy can cure globale resource overconsumption. Meta from European Environmental Bureau. July 16, 2024.

Despite efforts to move towards a circular economy, the proportion of recycled materials in the total consumption of all materials has decreased in recent years.

» The share of secondary materials *) consumed by the global economy has decreased from 9.1% in 2018 to 7.2% in 2023, a 21% drop over the course of five years.

The Circularity Gap Report. 2024. *Executive Summary. Circal Economy Foundation.*

**) Secondary raw materials are materials that have been obtained from recycling or recovery of end-of-life products, manufacturing scrap, industrial by-products, or other waste streams, as distinct from primary raw materials sourced through extraction.*

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» Two different decoupling tasks must be pursued:

- **decoupling the production of goods and services from unsustainable natural consumption and**
- **decoupling the satisfaction of human needs from the imperative to ever more consumption.**

Maja Göpel. 2016. Book: The Great Mindshift. How a New Economic Paradigm and Sustainability Transformations go Hand in Hand.

» There will be no one simple solution for decoupling prosperity and the destruction of nature, but if we don't manage it, we will have to adapt to the new conditions. And they'll be tough.

Translated from: Interview with Harald Lesch. Digitale Welten riechen nicht. GeoPlus 29.09. 2021

» The environmental challenges we face are massive. If we don't tackle them, the consequences will be devastating and cruelly unequal. We must act. It must be large-scale. And so much quicker than we have done before.

Hannah Ritchie. Book: Not the End of the World. Surprising facts, dangerous myths and hopeful solutions for our future on planet Earth. 2024

We are now faced with the Herculean task of satisfying the basic needs of what will soon be 9 to 10 billion people while *at the same time* respecting the Earth's ecological limits.

It should be remembered that a minority of approximately 20% of humanity accounts for 80% of global resource consumption.