

Position of the United States Society for Ecological Economics on Economic Growth

Whereas:

- 1) Economic growth, as understood by most professional economists, policy officials and private citizens, is an increase in the production and consumption of goods and services, and;
- 2) Economic growth occurs when there is an increase in the multiplied product of population and per capita consumption, and;
- 3) The U.S. economy grows as an integrated whole consisting of agricultural, extractive, manufacturing, and services sectors (and the supporting infrastructure) that requires physical inputs of non-renewable resources, land and water, and that produces wastes, and;
- 4) Economic growth is usually measured by increasing gross domestic product, although this is an inadequate indicator of human welfare, and;
- 5) Economic growth has long been a primary policy goal of U.S. society and government because of the belief that it leads to an enhanced quality of life, and;
- 6) Economic growth occurs in a finite and depletable biophysical context, and;
- 7) Continuing non-renewable, resource-intensive economic growth is having unintended damaging consequences for ecosystems and human societies;

Therefore, the United States Society for Ecological Economics takes the position that based on the above evidence:

- 1) There is a fundamental conflict between economic growth and ecosystem health (in such areas as biodiversity conservation, clean air and water, atmospheric stability), and;
- 2) There is a fundamental conflict between economic growth and the ecological services underpinning the human economy (for example, pollination, decomposition, climate regulation), and;
- 3) Although technological progress and unregulated markets have had many positive effects they cannot be depended upon to fully reconcile the conflict between economic growth and the long-term ecological and social welfare of the U.S. and the world, and;
- 4) A sustainable economy (that is, an economy with a relatively stable, mildly fluctuating product of population and per capita consumption) is a viable alternative to a growing economy and has become a more appropriate goal for the U.S. and other large, wealthy economies, and;
- 5) A long-run sustainable economy requires its establishment at a size small enough to avoid the breaching of ecological and economic capacity (especially during supply

shocks such as droughts and energy shortages), efficient use of energy, materials and water, and an accelerated shift toward the use of renewable energy sources, and;

6) A sustainable economy supports economic development, a qualitative process in which human welfare is increased through strategic changes in the relative prominence of economic sectors and techniques. ;

7) While establishing a sustainable economy, it would be advisable for the U.S. to assist other nations in moving from the goal of economic growth to the goal of a sustainable economy, beginning with those nations currently enjoying adequate per capita consumption, and;

8) For many nations with widespread poverty, increasing per capita consumption through economic growth and often via more equitable distributions of wealth remains an appropriate goal. ;

Adopted on August 4, 2003 by a vote of the Board of Directors.