Social Europe

Saving the planet means saving the world

LISA PELLING 4th March 2024

Inequality and the climate crisis go hand in hand, Lisa Pelling writes. So do the alternatives.

Finland's gross domestic product per head is only around three-quarters that of the United States, yet for six years it has topped the United Nations 'happiness' rankings; the much more unequal US currently ranks 19th (Aleksandra Suzi / shutterstock.com)

In a recent report, the European Scientific Advisory Board on Climate Change—an independent body providing the European Union with scientific knowledge, expertise and advice withing the framework of the binding European Climate Law—has a clear message: to maintain public support for climate action, the transition has to be just and fair. The advisory board not only calls for a systematic assessment of the potential socio-economic impacts of all climate initiatives. It also urges efficient redistributive measures, targeted at the most vulnerable households and businesses affected.

In one sense, the advice from the board is just another institution drawing the inevitable conclusion from the science. The Sustainable Development Goals, promulgated by the United Nations in 2015 for realisation by 2030, build on the same insight of mutual relatedness: reducing inequality is key to combating poverty as well as climate change. It is a matter of fighting inequalities globally—indeed, the rich nations' failure to reduce emissions exposes the world's most climate-vulnerable countries—as well as within countries and communities.

In the ambitious publication Earth for All: A Survival Guide for Humanity, a number of researchers, including Johan Rockström and Jayati Ghosh, use the methodology of system dynamics—most celebratedly adopted in the pioneering 1972 study *The Limits to* Growth—to triangulate more than 700 environmental and socio-economic variables: investments, energy use, taxes, savings, education, inequality, social trust and so on. They lay out two likely scenarios for the world's future.

One aspect above all distinguishes their 'too little too late' scenario from 'the giant leap'. In 'too little too late', countries are indeed making efforts to limit climate change but they are not dealing with what the scientists call the 'elephant in the room'—inequality.

Instead of today's economic system, which increases inequality, a new system is indispensable, according to Rockström and colleagues. What is needed is a 'wellbeing economy' which serves people and the planet—rather than people and the planet serving the economy, as the Wellbeing Economic Alliance (WeAll) puts it.

Myth of meritocracy

So why is it so difficult to increase equality? In a background report to the Earth for All project, the British epidemiologists and equality researchers Richard Wilkinson and Kate Pickett provide some answers.

First, and most obviously, there are strong interests working to preserve inequalities. The fossil-dependent rich, to put it simply, use their wealth to gain and maintain power over politics, through lobbying and corruption. Think of the Koch brothers in the United States. Anyone who attempts to contest the fossil-fuelled world economy is up against these powerful and well-resourced interests.

The second reason is the meritocratic myth—the notion that social differences are an inevitable consequence of innate differences in ability and effort. If differences are 'natural', why try (perversely) to reduce them, via egalitarian policies?

Societies throughout history have had myths to justify an unequal distribution of resources: in caste societies, unequal conditions were assumed to depend on how each person had lived a previous life; the feudal nobility made people believe its privileges were a gift from God, and so on. The inequality myth of our time is that we live in a meritocracy, however belied by the social springboards enjoyed by those born to brute-luck advantage.

The third obstacle to equality, according to Wilkinson and Pickett, is 'trickle down' economics—the idea that the rich, as long as they can deploy hard-earned but lightly-taxed capital, create the jobs and prosperity for the remainder of the population to thrive. Eventually, their wealth will supposedly find its own way down to the rest of us; meantime we should admire, rather than envy, their avaricious consumption.

Limits to growth

This fundamentally affects how we view the economy and the 'limits to growth'. As long as man understood that the earth's capacity to feed mouths was limited, excessive consumption was seen as immoral: one man's bread was, literally, another man's death. In all the world religions, gluttony and greed have been decried as mortal sins. In the Christian tradition, for instance, suggesting it would be 'easier for a camel to get through the eye of a needle' than for a dead rich man to enter heaven was setting the bar very high.

But from the 18th century, Adam Smith and other thinkers spread a new view of economics: economic growth could increase wealth and so feed more mouths. This new perspective, Wilkinson and Pickett write, made it possible to argue that 'rather than being harmful to others, greed, consumption and the love of luxury benefited others because they generated income and acted as a spur to production that would raise living standards for everyone'. Now we are rediscovering the finitude of the earth, the planetary boundaries, and thus also the necessity to limit gluttony, greed—and, not least, the unsustainable over-consumption of the rich.

Sports utility vehicles and private jets are ecologically harmful in themselves. But this conspicuous consumption additionally influences patterns in other income groups: unlike income, Wilkinson and Pickett note, consumption patterns *do* trickle down. People living in unequal societies spend more on status items—designer clothes, expensive cars—as status anxiety is greater in societies with wide class gaps.

As Wilkinson and Pickett elaborate in their book *The Inner Level*, this damages health and wellbeing: people in more unequal societies worry more about how to maintain their status and they take on more debt to participate in the status hunt. This is why economic growth, while harmful to the climate, does not automatically translate into enhanced wellbeing in countries that have already achieved a certain standard of living. Some rich countries are almost twice as rich *per capita* as other rich countries, yet, as Wilkinson and Pickett show, their inhabitants are neither healthier nor happier as a result.

Sustainable development

It is easier said than done to limit economic growth. Even if politicians decided to try to slow growth, it could be argued, they would have a hard time: growth is driven by companies' desire to make a profit and by individuals' desire, however inflated by the former, to consume.

Yet just as the idea that growth faces planetary limits has been around for half a century because it is ever-more apparent, so the positive alternative of 'sustainable development' has only become more compelling since it was defined by the Brundtland commission in 1987. The commission, established by the the UN secretary-general and led by Gro Harlem Bruntland, a former prime minister of Norway with a background in the sciences and public health, described it as ‘development that meets the needs of the present without compromising the ability of future generations to meet their own needs’. Any Fridays for Future activist would vigorously concur.

Sustainability can thus be seen as a clarion call for equality between generations. It can also be valued as a form of respectful restraint. A restraint from over-consumption, from gluttony—anything but the greedy, destructive capitalism that characterises the world economy today.

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