



THE ECONOMIC PAMPHLETEER
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Beyond economic growth

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This is the second of two columns dealing with questions of economic growth. See the [first column](#) in the spring 2014 issue.

We need a new vision of the future of agriculture, food systems, and communities. Most Americans seem preoccupied with a vision of

economic growth — restoring it, promoting it, and sustaining it. They are unwilling to accept the fact that not only is economic growth not sustainable; it also is no longer either necessary or desirable. We need a new vision that will not compel people to “sell themselves for the means of life” but instead use their time, talents, and energy to “cultivate into

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Why did I name my column “The Economic Pamphleteer”? Pamphlets historically were short, thoughtfully written opinion pieces and were at the center of every revolution in western history. Current ways of economic thinking aren’t working and aren’t going to work in the future. Nowhere are the negative consequences more apparent than in foods, farms, and communities. I know where today’s economists are coming from; I have been there. I spent the first half of my 30-year academic career as a very conventional free-market, bottom-line agricultural economist. I eventually became convinced that the economics I had been taught and was teaching wasn’t good for farmers, wasn’t good for rural communities, and didn’t even produce food that was good for people. I have spent the 25 years since learning and teaching the principles of a new economics of sustainability. Hopefully my “pamphlets” will help spark a revolution in economic thinking.

fuller perfection, the art of life itself” (Keynes, 1931/1962, p. 368).

The consensus of research into psychological well-being or happiness indicates that beyond some modest level of economic well-being, happiness is related far more closely to the quality of social relationships and a sense of purpose in life than with additional income or wealth (Jackson, 2011; James, 2003). For example, a 2003 article in the *Guardian* references a recent British Cabinet report and concluded that “despite huge increases in affluence compared with 1950, people throughout the developed world report no greater feelings of happiness” (James, 2003, para. 4). Certainly, people in some areas of the world still need economic growth. However, the so-called developing nations need not aspire to the economies needed to support American lifestyles. A 2004 review of more than 150 scholarly studies concluded that beyond per-capita incomes of around US\$10,000 to US\$15,000 in developing nations, there is little if any correlation between increasing wealth and overall happiness or well-being (Diener & Seligman, 2004). There is no reason to believe this relationship has change in the past decade.

Other research indicates people in nations with less disparity or inequity in incomes and wealth tend to be happier, regardless of absolute levels (Wilkinson & Pickett, 2009). Even the affluent are happier in more economically equitable societies. *Developed* countries might do far more to increase collective well-being or happiness by improving economic equity rather than promoting economic growth. *Developing* countries could benefit most by balancing their modest needs for economic growth with the need to build more economically equitable societies.

Interestingly, John Maynard Keynes, arguably the most influential economist of the 20th century, anticipated such a time back in the 1920s. He wrote, “the *economic problem* may be solved, or be at least within sight of solution, within a hundred

years. This means that the economic problem is not...*the permanent problem of the human race*” (Keynes, 1932/1962, p. 366; emphasis in original). Man’s permanent problem will be “how to use his freedom from pressing economic cares...to live wisely and agreeably and well” (Keynes, 1931/1962, p. 367). As it turned out Keynes was too conservative, as the research shows the economic problem was solved as early as the 1950s for many people of the world. The challenge for the vast majority of Americans today is not to try to restore unsustainable economic growth, but instead to learn to live “wisely and agreeably and well.”

Our ability to continue to live well economically in the future will depend on the sustainable use of the human and natural resources necessary to sustain the economy. There are endless possibilities, however, for human betterment or improving quality of life even with a sustainable, “steady-state” economy. Ecological economist Herman Daly defines a steady-state economy as “one that develops qualitatively...without growing quantitatively in physical dimensions;...a constant metabolic flow of resources from depletion to pollution...maintained at a level that is both sufficient for a good life and within the assimilative and regenerative capacities of the containing ecosystem” (Daly, 2013, para. 1). A steady-state economy would depend on *qualitative* rather than *quantitative* development to sustain a *good life* for all.

John Stuart Mill, a prominent 19th century economist, also believed in the prospects for continuing human betterment within a “stationary state” economy. He wrote: “It is scarcely necessary to remark that a stationary condition of capital and population implies no stationary state of human improvement. There would be as much scope as ever for all kinds of mental culture, and moral and social progress; as much room for improving the Art of Living, and much more likelihood of its being improved, when minds ceased to be engrossed by the art of getting on” (Mill,

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1848/1909, para. IV.6.9).

A fundamental difference between moral and social progress and economic progress is that social and ethical well-being are inherently *nonmaterial* in nature. Progress in these dimensions of life require no *additional* natural or human resources or *materials*. Thus economic growth is not necessary to continue developing human capacities to live more “wisely and agreeably.” In addition, shifting priorities to social and ethical progress would free up vast quantities of economic resources, such as those used for national defense, law enforcement, and civil litigation, which could then be devoted to restoring the integrity of the natural ecosystem and remediating dysfunctional societies. If by chance humanity were to reach a state where people no longer desired anything more — economic, social, or ethical — there would be no need for further growth in any dimension of life.

The virtues of social and moral betterment have been proclaimed by all of the enduring philosophies and major religions of the world throughout human history. The American preoccupation with unending economic growth emerged only about one hundred years ago and has only been dominant since the 1980s. It seems reckless if not irrational to bet the future of humanity on the “new theology” of economic growth — particularly since there are far better alternatives for achieving a fundamentally better, more sustainable quality of life.

However, Keynes warned that “no country and no people...can look forward to the age of leisure and abundance without a dread. For we have been trained too long to strive and not to enjoy” (Keynes, 1931/1962, p. 368). He suggested that those who would benefit from this new era

would be “those peoples, who can keep alive, and cultivate into a fuller perfection, the art of life itself and do not sell themselves for the means of life”

(Keynes, 1931/1962, p. 368).

We need a new vision of the future of agriculture, the food system, and communities in which people do not feel compelled to “sell themselves for the means of life” but instead “cultivate into fuller perfection, the art of life itself,” by learning to live wisely, agreeably, and well.

Shifting priorities to social and ethical progress would free up vast quantities of economic resources.

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