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BEYOND CATCH PHRASES : WHAT DOES SUSTAINABLE DEVELOPMENT REALLY MEAN?



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"Sustainable development is development that meets the needs of

the present without compromising the ability of future generations to meet their own needs" — Our Common Future (the Brundtland Report).

This is the concise definition of sustainable development offered in what is arguably the most important document of the second half of the century. In many ways, the Brundtland Report is important not so much for what it says, but for the reaction it has stimulated.

It has had a galvanizing effect on international development at a crucial time. It made sustainable development a political issue by the very fact that it was a consensus document — not just from the East and West but also from the North and South.

Clearly, the Brundtland Report achieved its purpose: it got people talking about sustainable development. As a result, we have had a burst of analyses and articles about what we are doing and where we are going in both developed and developing

countries. Indeed, sustainable development has become official policy in dozens of organizations around the world, most notably the World Bank.

All of this, and yet few people can offer a good explanation of what sustainable development really means. As always, confusion and misunderstanding are frequent side-effects of lofty proposals on environment and economic development.

The Brundtland Report must take at least some responsibility for the confusion, for its own definition is ambiguous.

Its definition is not new, clear, nor is it really complete. The authors have turned out to be their own worst enemies — they failed to draw out the implications of their own statements. Simply put, the authors want to have their cake and eat it too.

Sustainable development is a fundamentally radical notion that we must learn to use in all of our work. But, at the same time, it is conservative in that it can work within the traditional framework of economic theory. It is an alternative economics not an alternative to economics.

Sustainable development does not mean economics should be ignored, simply looked at from a significantly different perspective. It contradicts many common ideas about economic growth — but it does not say, in a knee-jerk fashion, that all economic growth is bad.

The inability to understand what sustainable development means has led to its mistaken acceptance by many organizations. Those using it as a standard often do not comprehend its implications.

Some Misconceptions — and a Better Definition

Because misconceptions surround the term sustainable development, a few clarifiers should be kept in mind. The adjective is "sustainable" not "sustained." The noun is "development" not "growth" and the word "economic" does not appear.

Although these distinctions may appear simplistic, they are important. Growth, for instance, means to increase in size by adding material. Development, on the other hand, is the realization of potential.

Many people use the term "sustainable growth" but it is a contradiction in terms. Sustainable refers to limits whereas growth means physical increase — the two concepts do not mix. Sustainable development, however, means limits placed on potential — quality can always be expanded, and in many more ways than mere physical size.

A better understanding of the idea of sustainable development can be found in a report by the World Conservation Strategy, which actually predated the Brundtland Report:

"The emerging paradigm of sustainable development... seeks to develop strategies and tools to respond to five broad requirements:

- Integration of conservation and development.

- Satisfaction of basic human needs.
- Achievement of equity and social justice.
- Provision for social self-determination and cultural diversity.
- Maintenance of ecological integrity.

These challenges are so strongly interrelated that it is difficult, and indeed unhelpful, to arrange them in hierarchical or priority order. Each is both a goal itself and a prerequisite to the achievement of the others."

This definition of sustainable development is better than that of the Brundtland Report because it does not rely on one specific axis for explanation. It points to the many implications and interconnected aspects inherent within the term sustainable development. It also confronts the incorrect notion that environmentalists are not interested in people.

Where Are We Now? Sustainable Development as a Microconcept

Environmentalism has made significant gains at the individual project level. New tools such as "environmental and social impact assessments" can indicate to what degree economic activity affects the environment. These tools allow for the fact that the environment serves as a repository for waste as well as a source of materials for production. They also show an increased recognition of the aesthetic value of nature and its resources.

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There is a growing recognition that, in many cases, bad economics is bad environment. Getting price signals right and getting rid of subsidies for vested interests may be the best thing for the environment.

But all of these gradual observations share the same philosophy: the present economic system is fine; we just have to fine tune it. We can continue to do what we are now doing, just do it better. But this is ignoring the key issue of sustainable development — the macroperspective.

**Going Deeper:
Sustainable
Development as a
Macroconcept**

Sustainable development is not fundamentally about microeconomics or individual project analysis. It instead must focus on the big picture, macroeconomics and policy analysis. The key issues do not involve questions of how — how to allocate resources — but how much — the size of the economy. We have to look at how many people can live on this earth and, more important, how rich they can be in terms of their use of natural resources.

Traditionally, macroeconomics has within it no concept of the maximum size of an economy. There are no restrictions on the scale of an economy; bigger is always better.

But the environment imposes very real constraints on the size of an economic system. Human activity has pushed against the physical limits of the world. We are beginning to go beyond a scale at which we can comfortably survive. The problems of global warming and rising sea levels are only the most visible example of going beyond our limits.

Economic textbooks have emphasized the circular flow of income through a capitalist economy — the greater the flow the larger, and thus more prosperous, economy. But the inability, or unwillingness, to realize that economies must be limited in scale has pushed us back against a wall.

Sustainable development suggests an alternative perspective. Instead of focusing on a circular flow of income, we should be looking at a linear flow of natural resources — the depletion or degradation of resources caused by human use. By moderating this linear flow, we can go far toward ensuring that resources, whether renewable or nonrenewable, will be available for the future.

Some think the limitations of our environment can be offset by technology or by recycling. They can, but only partially. Technology and recycling can graft on new solutions without addressing the root of the problem: the mentality that an economy can grow indefinitely.

To address the problem, most environmental economists have concluded that, just as we need ethical criteria to help determine the distribution of income in an economy, so too do we need ecological criteria to help us determine appropriate limits to the scale of an economy.

One of the foremost alternative economists, Herman Daly of the World Bank, prefers this approach. He argues that there is a fundamental difference between quality development and growth. An economy, he believes, should be efficient enough to ensure quality development. But growth in the scale of that economy must become increasingly constrained by the capacity of the ecosystem to regenerate natural resources and absorb waste outputs. Growth, in other words, must be limited by the environment.

**Sustainable
Development and the
Third World**

We are still learning how to introduce these notions of sustainable development into larger economic considerations. Thus, it is too early to state categorically how it might apply to developing countries. However, we can suggest that the introduction of the concept will have four important benefits.

First, sustainable development will force both economists and ecologists to look much more carefully at their models and their

definitions. Many things previously on the fringe of economic theory, such as the concept of entropy, will now rightfully move toward the centre.

Second, we will get some specific tools to measure the effects of human activity on the environment. Economic indicators, such as gross national product, will come to include the depletion of natural resources and their degradation through pollution.

The third benefit, and most relevant to international development agencies, is the introduction of sustainable development as a set of criteria into both project analyses and reviews of wider policy choices. We are a long way from having a full set of criteria — economic, social, cultural, and ecological — but the ground is being laid.

Fourth, and maybe most important in the long run, sustainable development is on its way to becoming a philosophical concept that will infuse all work on development, whether in richer or poorer countries. If it is accepted seriously, apparent rates of return on a nonsustainable proposal are simply irrelevant when compared to a proposal that has a lower yield but is sustainable. Whether or not a project is "sustainable" will become the standard of success in international development.

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