

Socially-inclusive, environment-friendly economic growth Targeting the impossible?

G. Venkatesh

THE content on these 12 CDs can of course not be summarised meaningfully and effectively. Conciseness which of course is called for, in reviews like these, will tend to defeat the very purpose of doing justice to the labour of love being reviewed. I call this a 'labour of love', for I assume and perhaps rightly so, that Sachs would consider the usefulness of his work to the world as a whole as his greatest reward.

It is the pleasure and the keenness to ensure that sustainable development is well-understood that this professor-economist-



The Age of Sustainable Development – Audio CD pack

By Jeffrey D Sachs; Foreword by Ban Ki-Moon

Read by Bob Souer

12 CDs – 15 hours in all

Released by Tantor Media Inc., USA

author-advisor has organised the content for this audio-CD and it is with the same higher purpose in mind that Souer has lent his crystal-clear voice to communicate to millions the complex-yet-simple concept of measuring, managing and taking responsibility for what we have done, are doing and must do in the years to come, to ensure that economics happens in a socially-inclusive and environmentally-friendly manner — with a higher purpose always being ascendant in the mind's eye of decision-makers and individuals like you and me.

I will refrain from systematically moving from one CD to the next but would advise listeners to do so, to not miss the subtle links as you move from Number 1 to Number 12.

Messenger as important as the messages

Souer's crystal-clear voice cuts through the choppy waters of complexity and keeps the listener on course, navigating the jargon with consummate ease. Sachs combines his erudition, experience and understanding to help you understand the 'quo vadis of sustainable development'. As you would hear somewhere in between the narration, we are living in an age of sustainable development — this was preceded by the Internet age not too long ago. The Internet and the ICT technologies it has spawned are humble servants to a new master — the overloaded, sustainable development.

Look beyond the numbers

Numbers and statistics when shorn of their ability to mislead are powerful aids for convincing and coercing readers and listeners to do the right things. Quantification of whatever is measurable appeals to all of us, and makes us inquisitive to dig deeper and understand more.

The example of Shenzhen which the narrator provides, a rapid rise from an unknown small town in China to an industrialised metropolis inhabited by 12-million inhabitants, in a period of less than 4 decades – may *prima facie* create an impression of glorious, mind-numbing possibilities; a feeling of 'anything is possible'. But as Sachs warns, though trade, finance, social networks, migration and technology have changed the world to a great extent, they have also brought in their wake broken families, environmental degradation, crime, depression and disease and inequality (between rich and poor), never seen before. All this is not hearsay, but strongly defended by reliable statistics!

Sachs is of the firm belief that even though some regions of the world may seem predestined by geography to endure hardships (proneness to floods, droughts and other pestilences), and challenges (as faced by many land-locked countries in sub-Saharan Africa), and history of being colonised and exploited in the past by imperialists, and enduring conflicts and civil wars post-independence — history and geography (and culture) need not be destiny to a 'sustainabilist' with a realistic mindset and a belief in the ability of holistic solutions to challenges. We know that it is just a matter of time, development may be delayed, but certainly not denied.

Sachs alludes to the 10 planetary boundaries which

mankind needs to respect, and refrain from exceeding the safe operating limits, while focusing on economic growth/development (an increase in the GDP/capita indicator, alongwith a reduction in the Gini Index) and improvement in social welfare (development in health-related and education-related indicators for instance, and thereby a positive contribution to the Human Development Index).

Business-As-Usual (BAU) approaches will put mankind on a very slippery slope, making the transition to the Sustainable Development (SD) approach a Hobson's choice. He stresses on the indispensability of good governance here – both in governments and private sector enterprises — to ensure that the inevitable negatives do not overwhelm the desirable positives of strategies adopted. Good governance (collaboration among public and private sector entities) is the key in identifying the differences in the challenges faced by rural and urban areas, surmounting the problems associated with rapid urbanisation (67% of the world's population will be residing in cities, by 2050) which stresses public services – something which is being seen in Africa today. This is also vital to tide over what is known as the 'natural resource curse' – corrupt and indiscriminate use of the abundance of natural resources a country is endowed with (Equatorial Guinea being an example).

Take-offs without parachutes?

After a long period of almost stable global output, in the 17th and 18th centuries, economic growth took off like nobody's business; generating a demand for the coal and iron ore reserves of the world and spurring investments in railroad technologies. Today we talk of fossil fuels, resulting in global warming and climate change. Here, as Sachs quotes Adam Smith who recognises the soul of capitalistic economic systems, '*We depend not on the benevolence of the butcher, brewer or baker, but the fact that they do what they do, for their own benefit.*'

Technological prowess and breakthroughs within economies (innovation-based, chain-reaction mechanism) fuel what is known as 'endogenous economic growth', while availing technology transfers (diffusion-based or adoption-based) enables countries to achieve what is called 'catch-up growth'. Endogenous growth in one country is often followed by catch-up growth in others which are influenced by it – as was evidenced in the case of Japan taking the lead, and setting an example (inspiration and most importantly, support) for countries like Vietnam, Indonesia, Taiwan, etc.

These days, being a node in global supply chains plays a key role in economic development in several parts of the world, generating employment. From steam engines (18th century) to electricity (19th century) to automobiles (early 20th century) to information technology and space sciences (second half of the 20th century), Sachs identifies techno-epochs which were kicked off by the restless genius of the inventive Homo Sapiens. The next great wave, Sachs says, must be one of the sustainable technologies — fed and nurtured by the developments in ICT technologies (which will continue to

play a significant role in the smart and sustainable cities which are springing up the world over).

Sachs is able to communicate with listeners effectively by providing anecdotes and analogies. He says that his doctor wife inspired him to give up the traditional 'one-size-fits-all' approach adopted by economists, in favour of a case-by-case 'differential' diagnosis to tailor-make the solution to the unique problem. Economists and 'sustainabilists' must be willing to go the extra mile, the long-winding paths to find and test holistic and specialised solutions to problems well-understood.

The analogy apart, Sachs has emphasized the important role of good health and well-being in ensuring sustainable development and progress towards meeting the SDGs.

All's not well...

Whether it is the disease burden in tropical Africa (the biggest challenge on date for sustainable development, according to Sachs), or high Total Fertility Rates (TFR) in the lesser-developed countries, sustainability challenges are daunting indeed...insurmountable even, without concerted efforts on the parts of decision-makers. High TFRs in poor countries is a curse, while contrarily low TFRs in the highly-developed countries is also a veritable scare. A declining fertility rate (TFR of below 2) also has its shortcomings...with the responsibility of supporting burgeoning geriatric care falling on a shrinking share of the working-age population.

Gender equality is honoured in very few countries in the world — Scandinavia being the pioneers and trendsetters in this regard. For sustainable development to be realisable, gender inequality needs to be eradicated from the surface of the earth. Again, if the trendsetters have shown that gender equality has contributed to a rise in social welfare and happiness (these countries top the HDI Index list), it is of course safe for the laggards to follow their lead, without hesitation.

Rwanda, which was once among the poorest in the world, has surged ahead, thanks to the importance given to women in the government, society and the economy. Here at least, one must not say, that correlation is not causation! It surely is. Though countries like the USA may be registering impressive economic growth, child poverty rates are higher than what one would intuitively expect. Taking a leaf from the Scandinavian welfare states (as Bernie Sanders wants to do), balancing economic growth with a sound and robust taxation system to ensure that child poverty rates are curtailed, is a *sine qua non* for sustainable development.

Economic discrimination may happen not just on the basis of gender but also on the basis of race, sexual orientation, caste and religion leading to exclusion and consequent poverty. Here is where 'duty ethics', 'utilitarianism', 'virtue ethics' and compassion preached/advocated by thinkers need to be imbibed by people in general and decision-makers in particular. Redistribution of income holds the key to combat extreme poverty, be that by way of taxation (human-rights activism or socialism) or encouragement to be philanthropic (libertarianism).

The Green Revolution which enabled India to cultivate food for its fast-growing population post-independence, needs to be replayed, this time with an upgradation and value-addition, bearing in mind the planetary boundaries which were not really a concern in the 1950s – nitrogen and phosphorus loading of waters, ocean acidification, chemical (herbicides, pesticides, antibiotics in animal feeds) pollution, biodiversity losses, global warming and climate change (and the associated effects), freshwater depletion, demand for renewable energy, etc.

While the rich countries of the world had pledged to contribute 1% of their respective GDPs to overseas developmental aid, only five countries — Sweden, Norway, Denmark, Luxembourg, and the Netherlands — have lived up to their promise. Interestingly, these countries which wholeheartedly contribute to development in the lesser-developed countries also rank high on the Human Development Index — indicating that perhaps an altruistic outlook adds to a sense of well-being.

However, aid is just a temporary measure, as Sachs would want us to believe...it cannot be a permanent need. He gives the example of China and South Korea, which started off as recipients of overseas development assistance, used the assistance well, and now are among the leading donors to countries which are following them slowly but steadily up the ladder.

In the year 2000, tuberculosis and malaria wrecked several parts of the world. This was why the Millennium Development Goals (2000-2015) focused greatly on health and well-being (of mothers and children) and targeted the eradication of epidemic diseases. However, what has been done, is not enough. There are children dying by the thousands from preventable diseases, which are water-borne or air-borne in the lesser-developed countries. Communicable diseases (the COVID-19 scare, for instance) are often unstoppable in today's globalised world, and they know no borders.

However, it must be acknowledged that the average life expectancy in both developed and developing countries has increased over time. Sachs explains lucidly how a rise in economic growth (and thereby a rise in income) will result in a rise in tax revenues and thereby expenditure on healthcare. This would mean there is a direct correlation between economic growth and good health.

Let me stop here. Believe me, there is a lot more in these CDs you can share with your friends over a cup of coffee and add value to the conversations.

Thanks to my incomparable wife Varshita for this lovely gift, consequent to knowing that I was working on a short project related to the Sustainable Development Goals (SDGs) of the United Nations. She passed away on the 10th of January 2020, and this review is dedicated to her. She purchased this, mistaking it for a book!

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