

Poverty reduction in a carbon constrained world

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economics

real wealth
means well-being



environment

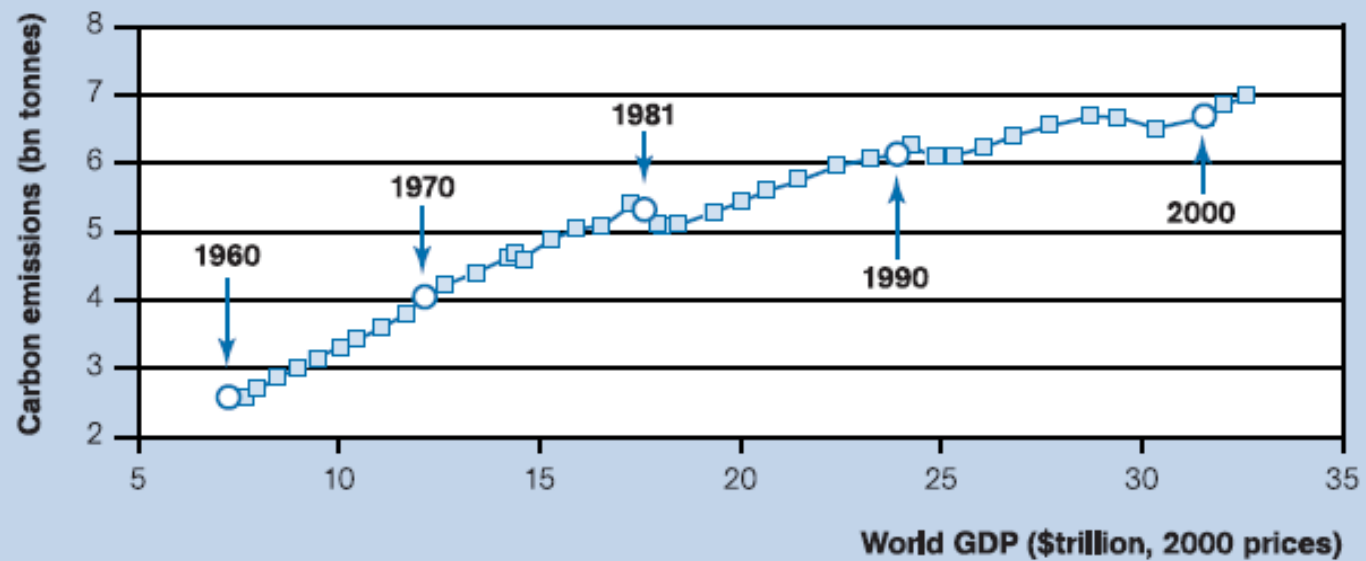
lifestyles must
become sustainable



society

communities need
power and influence

Figure 1: World GDP and Fossil Fuel Carbon Emissions, 1960–2002



Source: CDIAC, World Bank

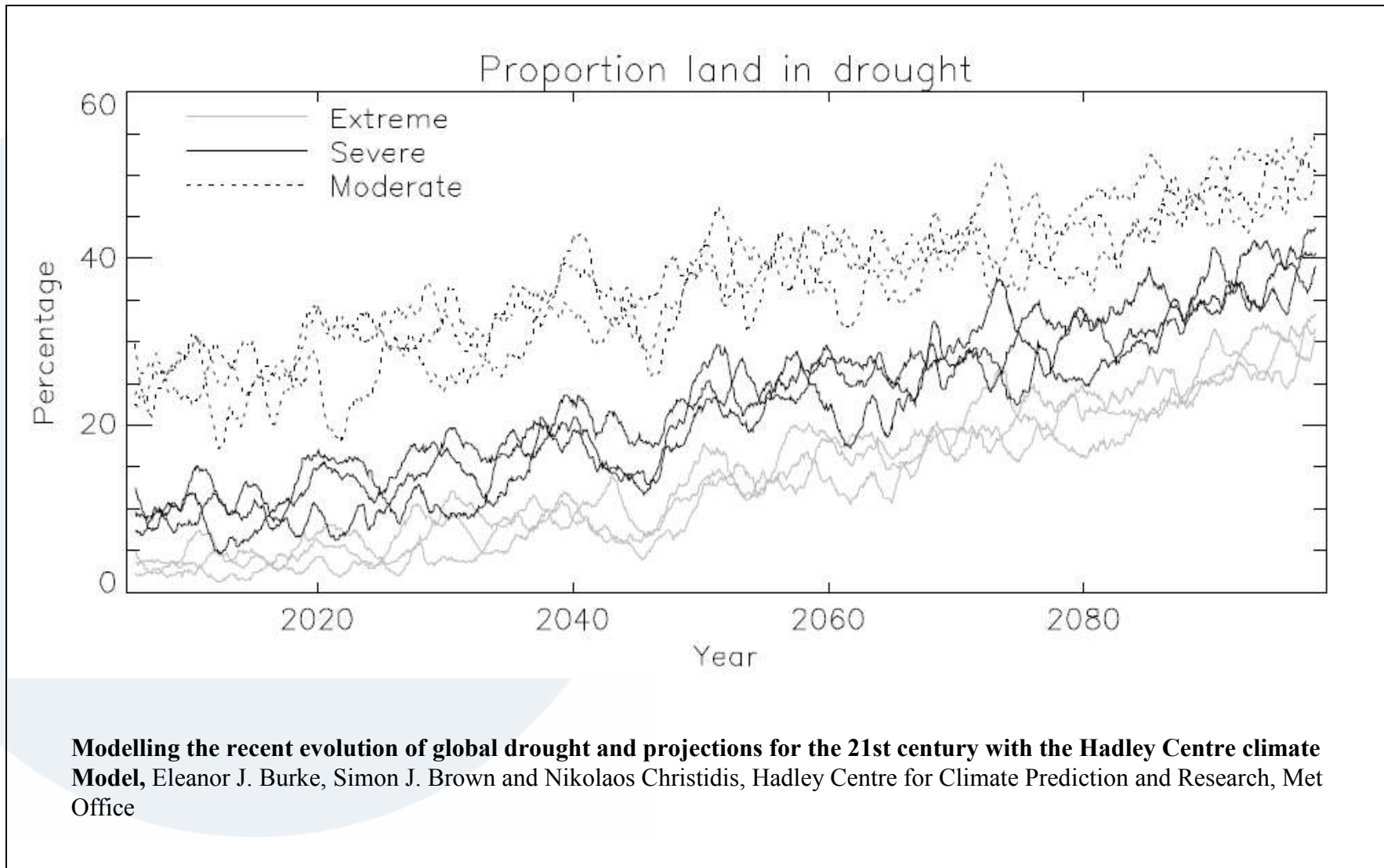
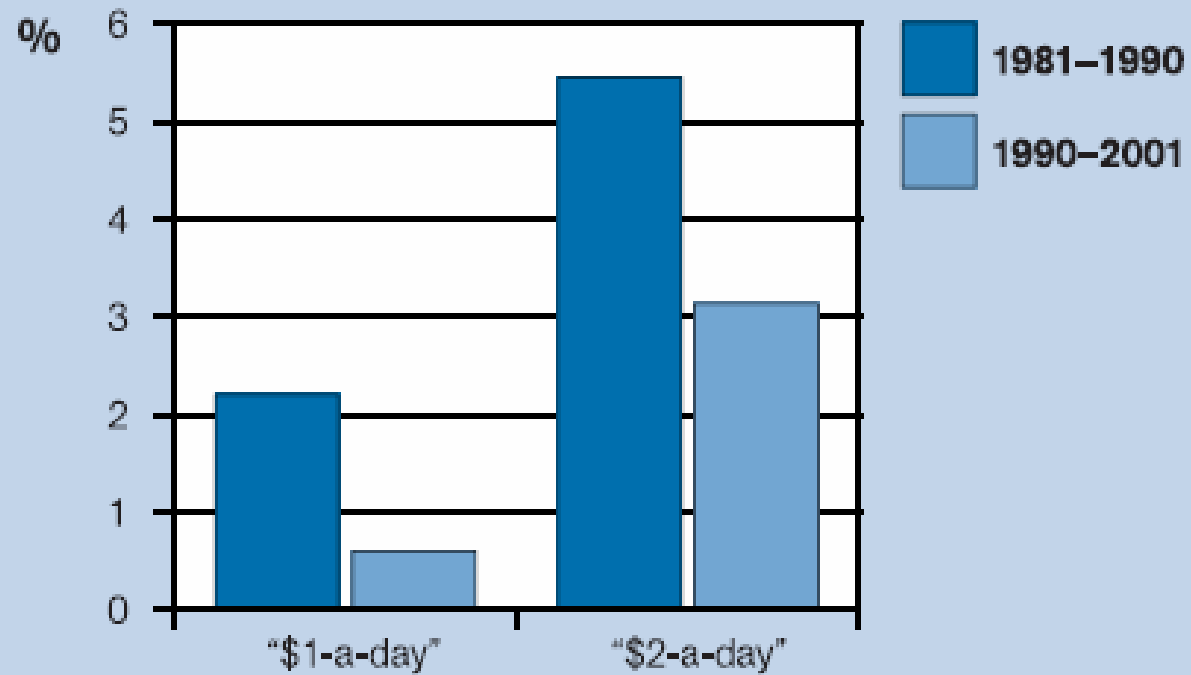


Figure 7: Share of poor in per capita growth, 1981–2001



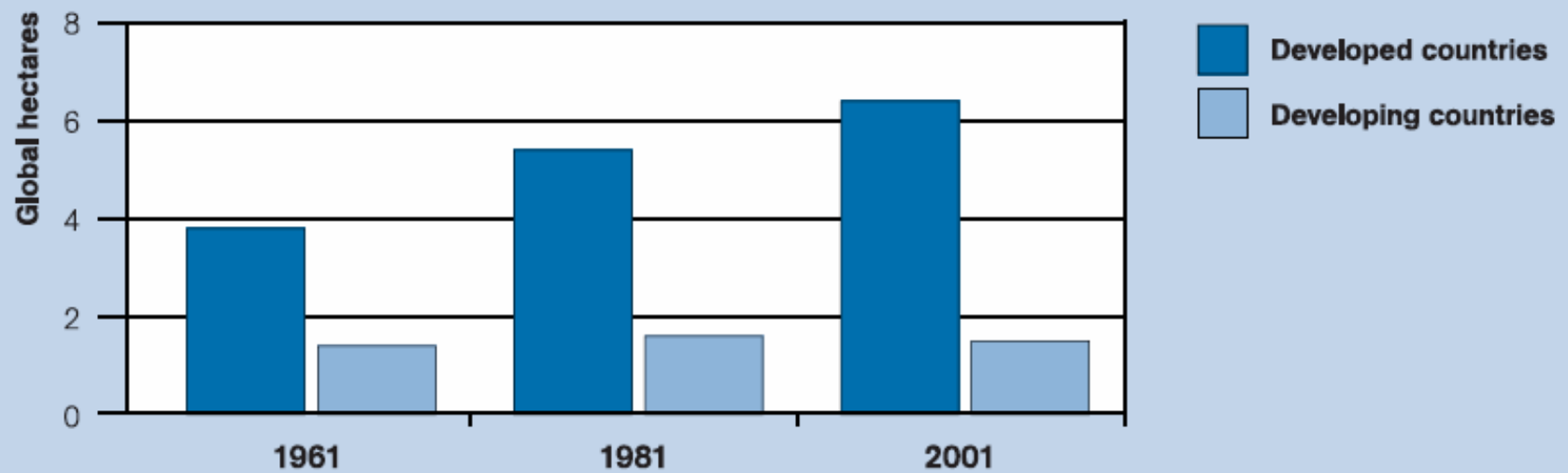
The inefficiency of growth



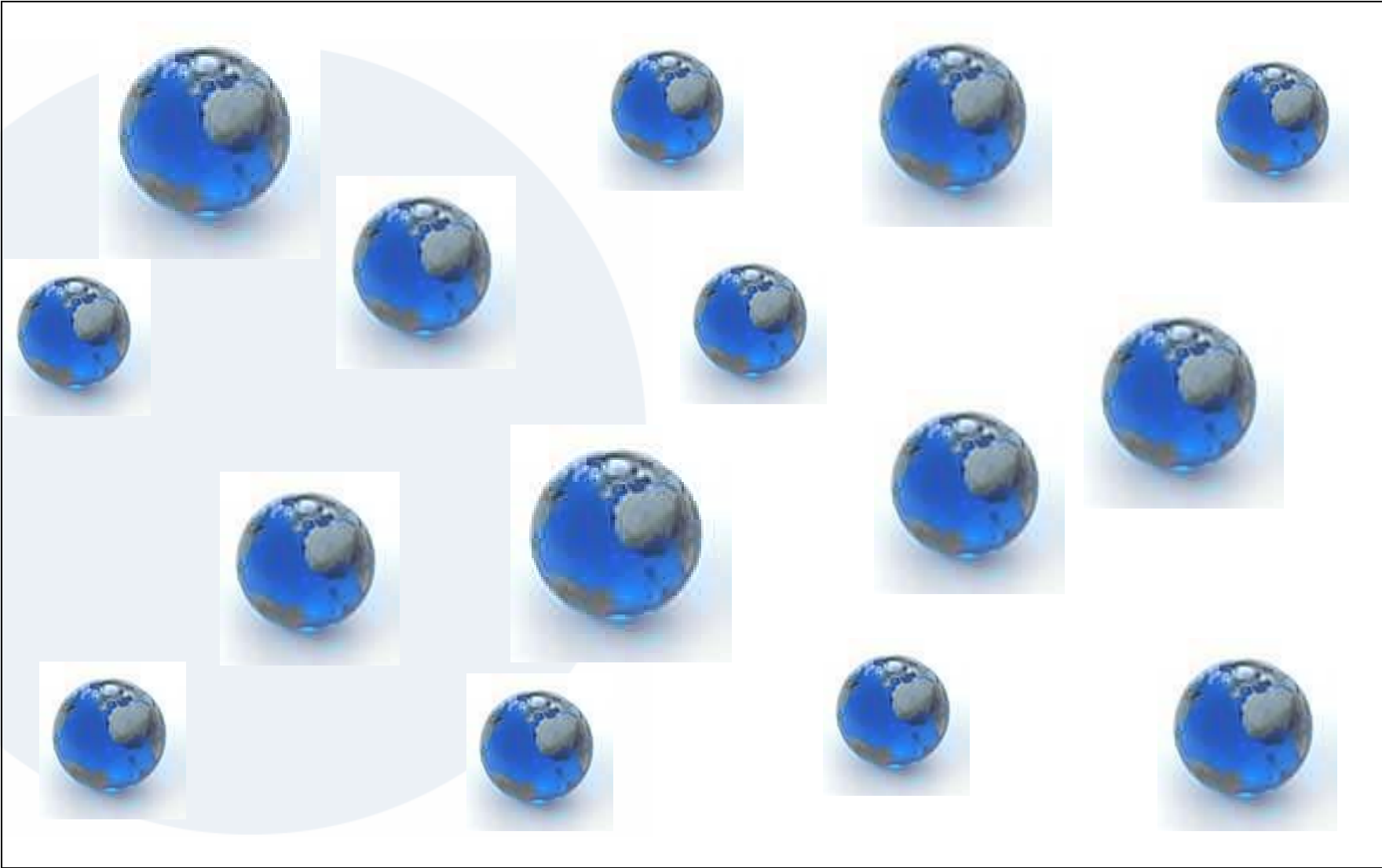
Between 1990 and 2001:

- For every **\$100** worth of growth in the world's per capita income, just **\$0.60** found its target and contributed to reducing poverty below the \$1-a-day line.
- To achieve a single dollar of poverty reduction in that category, **\$166** of extra global production and consumption was needed compared to around **\$45** the previous decade

Figure 2: Average environmental footprint per person, 1961–2001



Getting just to \$3 dollars per day



What's it all for?



UK - GDP and Life Satisfaction 1973 - 2002

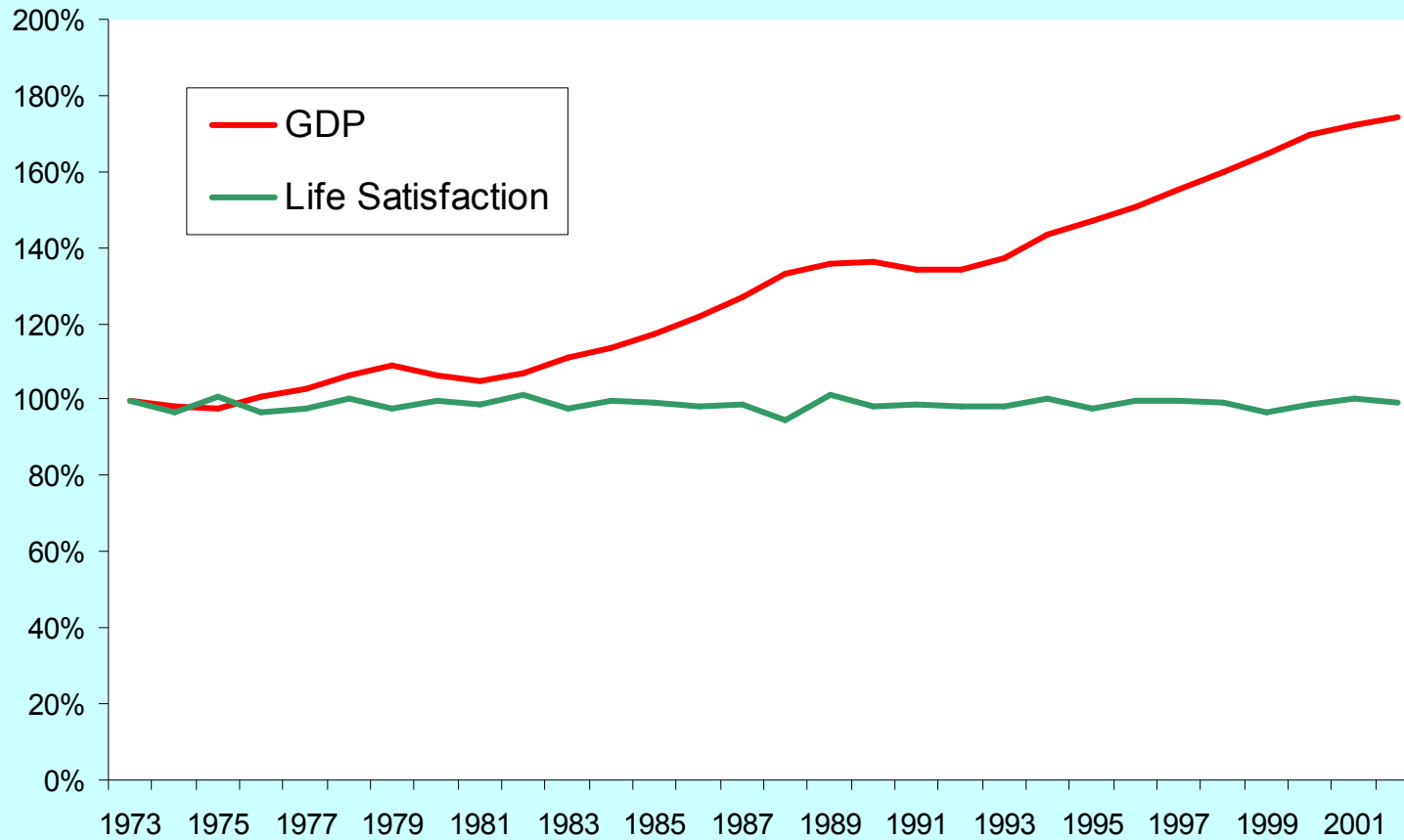
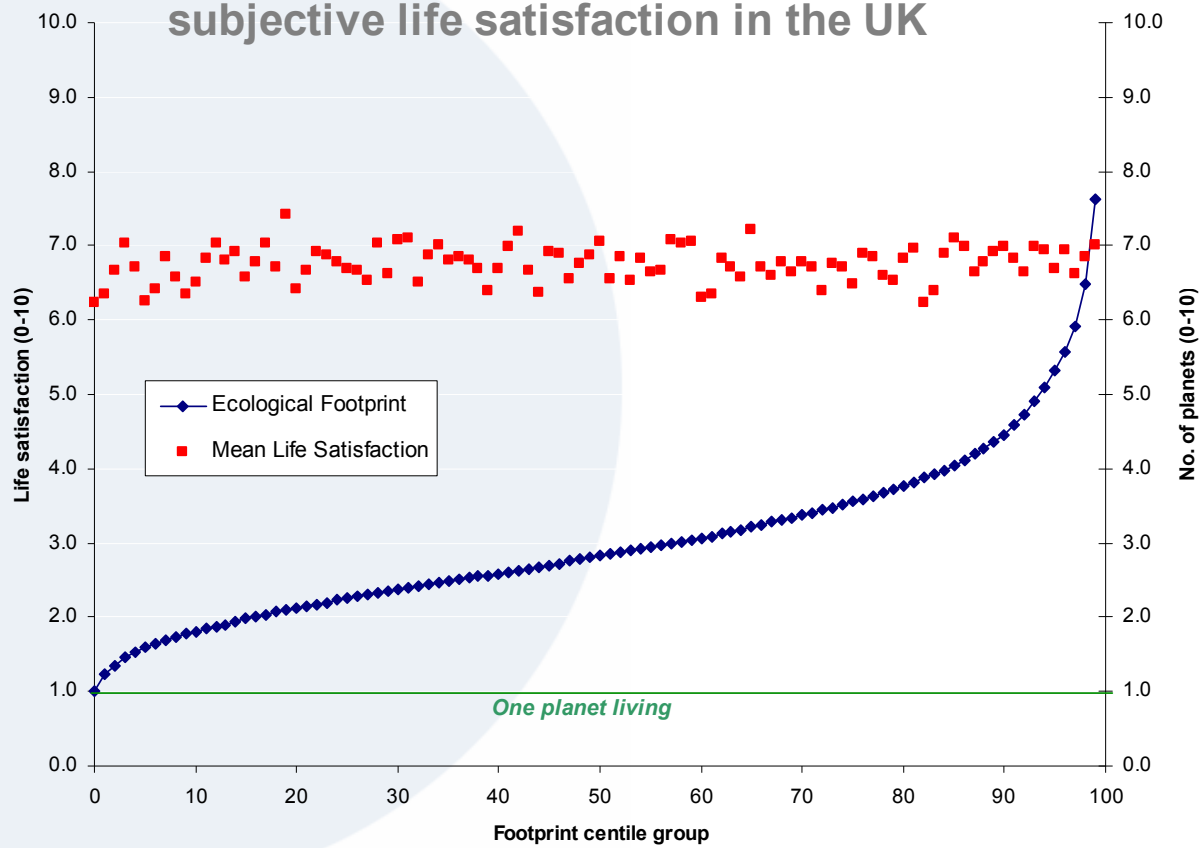


Figure 2: Ecological Footprint and subjective life satisfaction in the UK



“Standard, neoclassical economics strains out the gnats of allocative inefficiency while swallowing the twin camels of unjust distribution and unsustainable scale. The concept of uneconomic growth [has] to be incorporated into our economic thinking if it is to be capable of expressing what is really happening in the world.”

Herman Daly, 2003, *Uneconomic Growth and the Illth of Nations: Defining the Optimal Scale of the Macro Economy*.