

## UNCOMMON GROUND ROHINI NILEKANI

### GOOD GROWTH, BAD GROWTH

As a family, we are not much into buying things recklessly. Although we live very well, we only buy things that we know will be used. My mother-in-law and my son take this to a sort of extreme. They will only have limited sets of clothing which have to go through the wash regularly to serve them. No argument can convince them to create redundancy.

And yet, my home is crowded with things that we neither need nor use and did not buy, but were gifted. Some came with true affection and those we value. Others came through a misplaced sense of duty, or sales promos. We receive plaques, plates and fancy mementos, many not recyclable as gifts and most non-biodegradable. How many of these can I give away and where will I throw the rest?

Look around you this minute. Are there not things you wish did not exist at all? That have no place in a world which already has an island of plastic twice the size of Texas floating aimlessly in the Pacific ocean?

These questions have thankfully come to the centre of the debate on what kind of world we want to live in. And the financial crisis is giving not just economists but all of us an opportunity to rethink the future agenda.

After all, as they say, we are all environmentalists now.

Many people believe the financial

A question: is this economic slowdown improving the value of the environmental economy?

crisis is good for the world. That it will weed out the inefficiency in the free market system and bring back some sanity as well.

To me, though, what is especially tantalizing would be to find out whether the slowdown in economic growth, as viewed through national GDPs, is accompanied by an accelerated growth in environmental services—ecological 'growth' if you will.

With so many Chinese factories shutting down, for example, maybe the water quality in nearby rivers is improving, fewer trees are being cut, fewer endangered fish being harvested. Maybe fewer throwaways are manufactured, therefore slowing the growth of that garbage island. Is this

economic slowdown improving the value of the environmental economy?

Unfortunately, there may be no way to determine that. It is only recently that a fledgling movement has begun to actually quantify ecosystem services, and create what are known now as green accounting systems. For those who believe primarily in price mechanisms, this has been a grave oversight, since it paints only half the picture for decision makers. And for those who chaff at the limited idea of unlimited growth, this has prevented them from exposing the true cost of doing business, as it allows companies to keep all externalities hidden.

A lot of people are working to change that. The French, for example, have been very active in looking beyond the GDP to measure the well-being of a people and their nation. President Nicholas Sarkozy has recently requested Nobel laureates Amartya Sen and Joseph Stiglitz to come up with a new metric that will measure quality of life and not just the economy. After all, human beings are driven by many motives other than economic benefit and self-interest, and there should be a way to reflect that in our measurements and our decisions.

A new metric may still be ultimately a somewhat incomplete one, since there can be no calculus for valuing services such as air and water in a truly planetary manner. Still, putting a value or price on undisturbed lakes, or uncut forests, gives people a rough compass to judge the real consequences on the environment.

Not that we need to wait for more complex accounting systems to be put into place. We can use general thumb rules to decide for ourselves what are the material things that genuinely bring us reward, and those we could

easily do without, without impacting the quality of our lives. Like my son and my mother-in-law, maybe we can learn to say, "No, thank you".

This commitment to restraint challenges the dominant idea of economic growth as the only model for the world, and especially India, to lift people out of poverty.

Yet we know the problem is that there is no way to distinguish between good and bad growth. The shareholders of companies that make useless disposals and toxic chemicals naturally use the same logic of QSQT (quarter se quarter tak) profit maximization as companies that make durable products with a low eco-footprint.

Some groups in Europe, whom I recently read about, are challenging the idea of growth itself. They advocate de-growth, which allows people to "escape from the economy as a system of representation". They believe this is the only way to empower the poor.

Add de-growth to the new term "de-globalization" and you have enough ammunition for protracted debate with argumentative Indians.

If all this sounds too radical, well, it should be. We need to open up our imagination and re-examine everything in our current models, with compassion and without being judgemental. Otherwise, that indestructible plastic island will have the last laugh.

*Rohini Nilekani*

*Rohini Nilekani works with and supports many non-profit endeavours, especially in water, through Arghyam Foundation. Comment at [uncommonground@livemint.com](mailto:uncommonground@livemint.com)*

