

The background image is a composite of two city street scenes. The top half shows a street with a tram and a building with a vertical garden. The bottom half shows a street with tram tracks and a car. The text is overlaid on the top half.

ecological economics for a **just** and **green** recovery

by Eric Miller, David Suzuki Fellow

presented at C2C conference on March 20 2021



ecological economics

sustainability

efficiency

distribution

ecological economics

stewardship of human, built, natural assets

getting the most from using the least

who has, who gives, and who gets



pandemic

planet

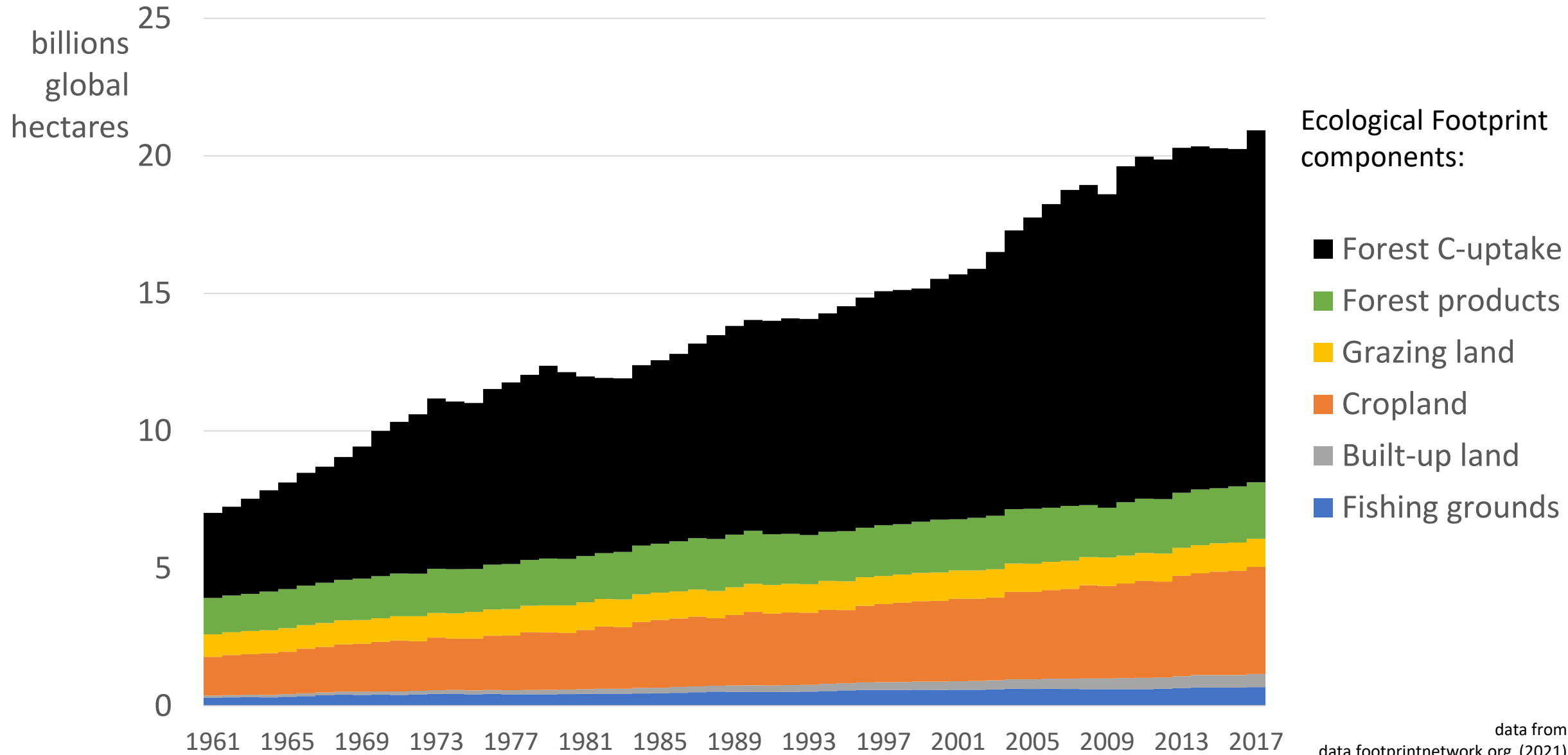
people

profit

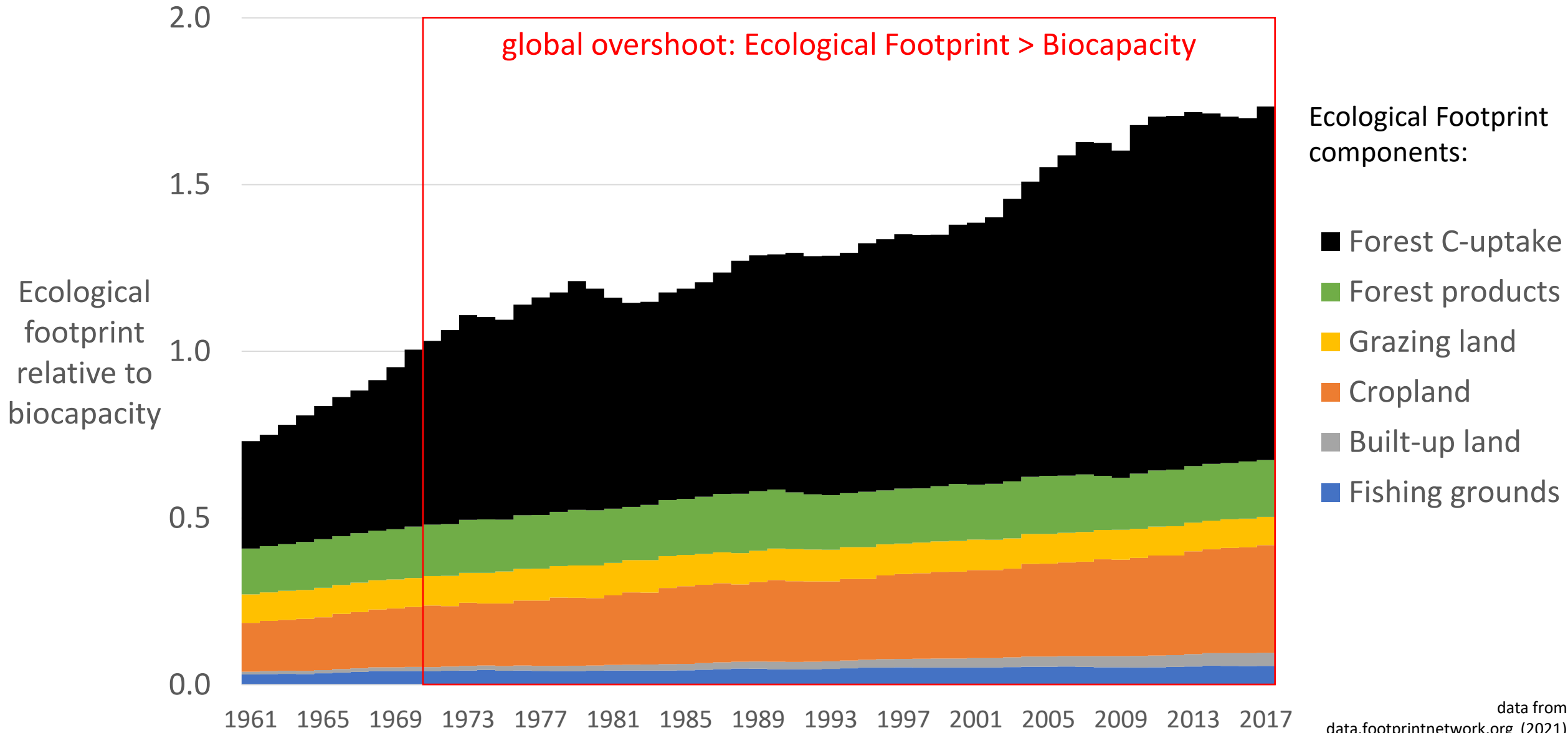
planet · people



planet · people



planet · people



planet · people · profit

profit as **surplus** economic value

market value

\$

+

non-market value

(+\$) unpaid care
ecosystem services

(-\$) pollution and depletion
pain and deprivation

prevent inefficiencies by internalizing non-market value

planet · people · profit

profit as **surplus** economic value

earned surplus

+

unearned surplus

return on effort 😊

sole proprietorship 😊

😞 gains beyond effort

😞 insider advantages

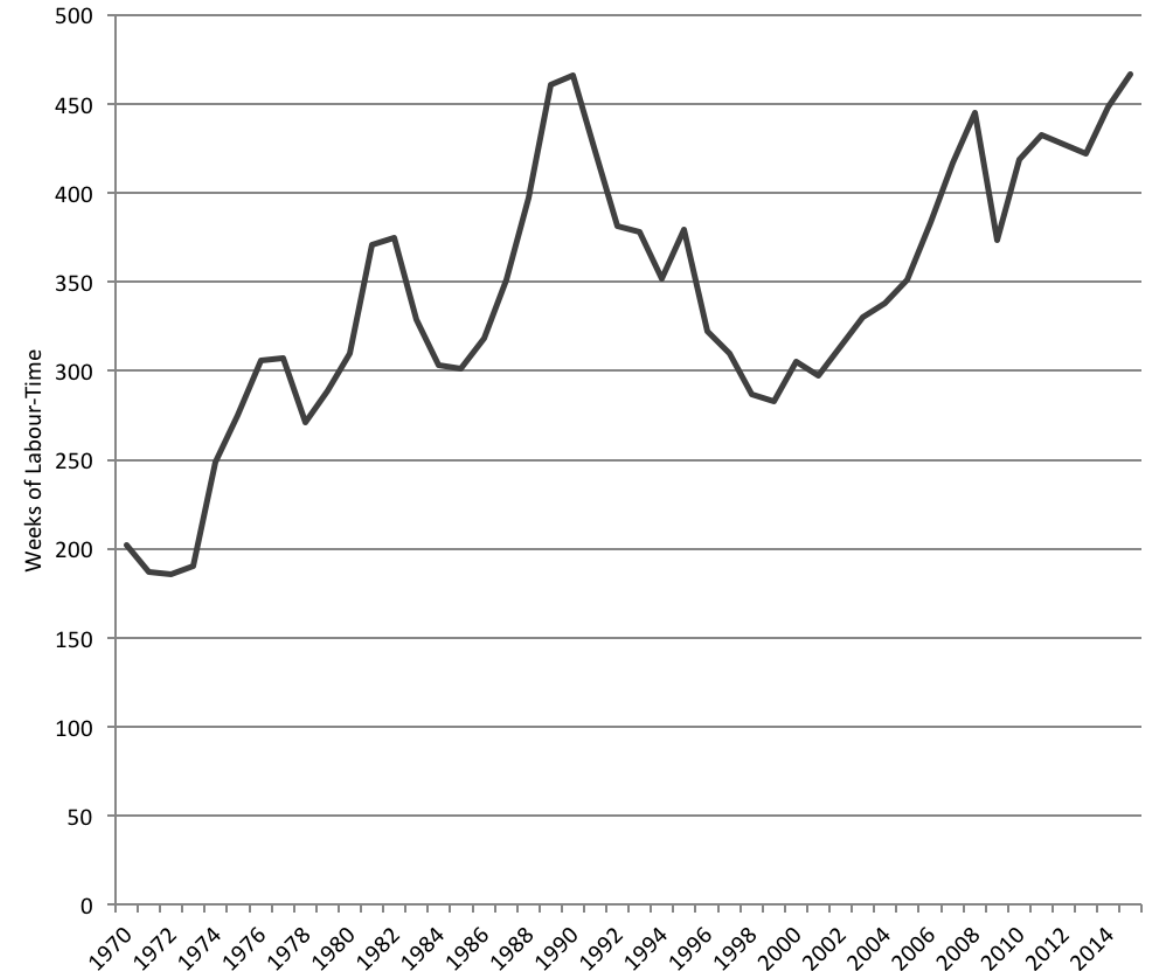
prevent inequities by reducing and redistributing unearned surplus

planet · people · profit

Cash Cost of Purchasing a House in Weeks of Labour-Time: Canada



Mortgage Cost of Purchasing a House in Weeks of Labour-Time: Canada



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Cost of purchasing equities on S&P 500 as Price-to-Earnings ratio



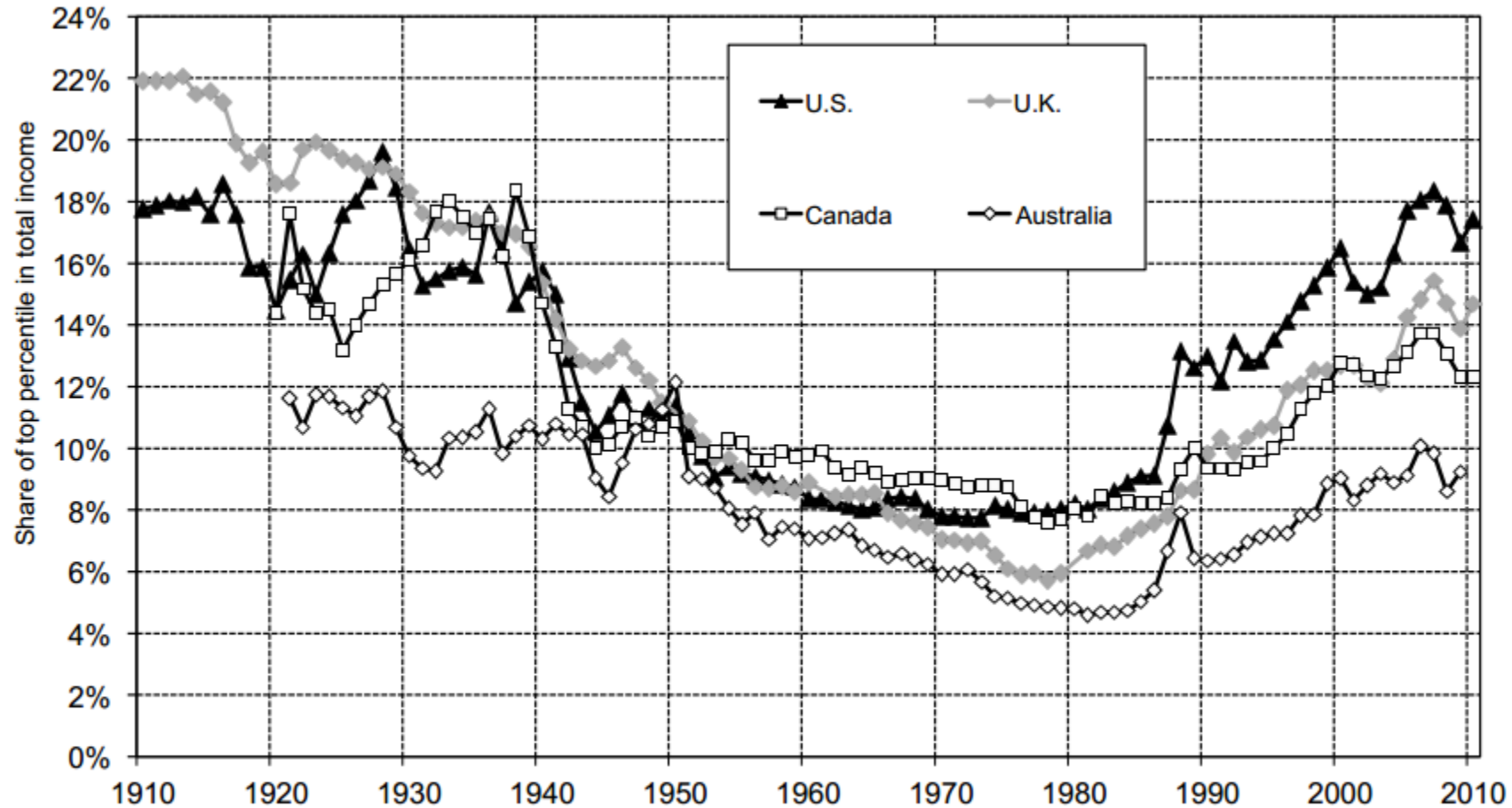
planet · people · profit

Cost of purchasing equities on S&P 500 as Price-to-Earnings ratio



planet · people · profit

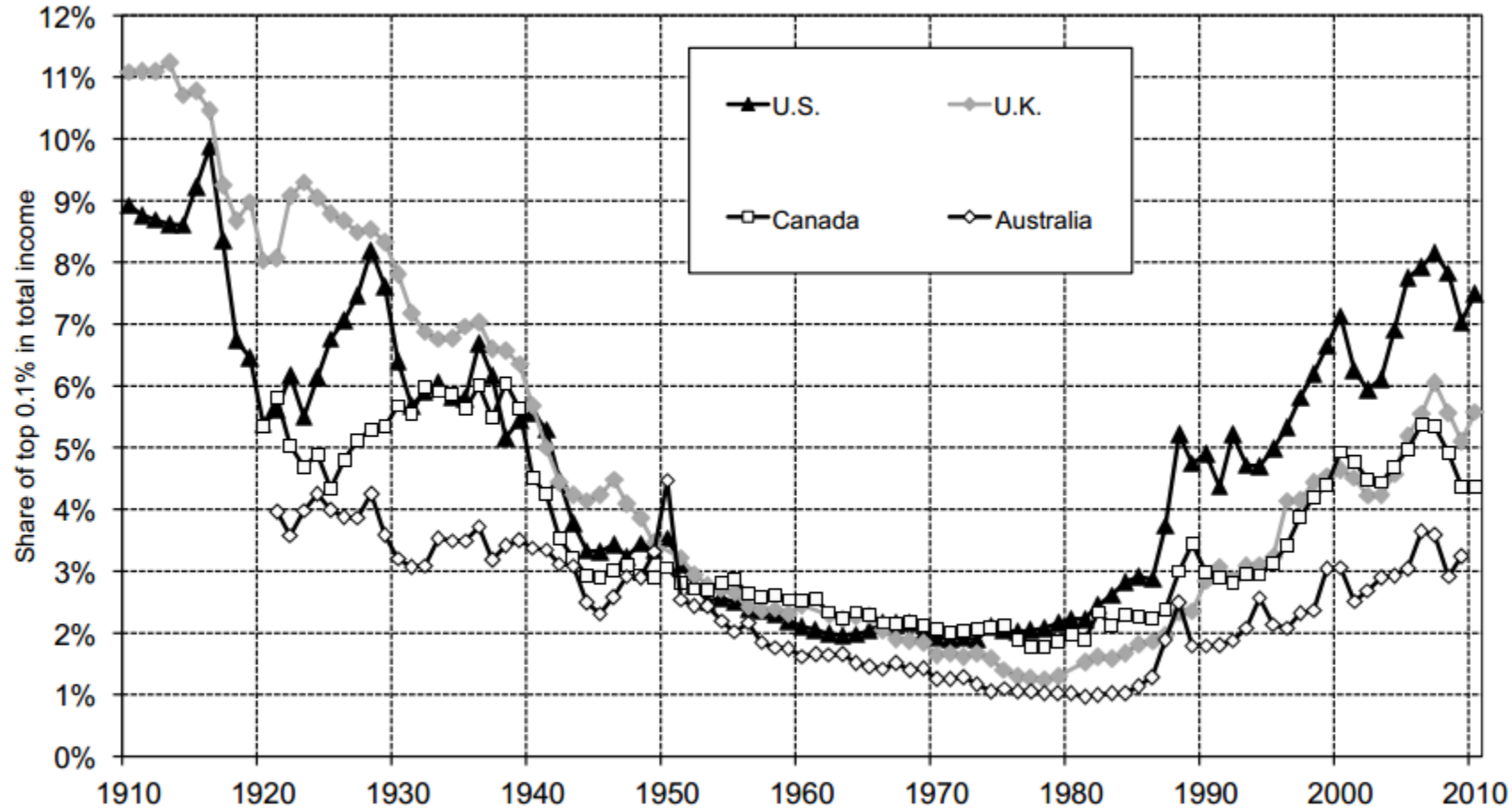
Figure 9.2. Income inequality in Anglo-saxon countries, 1910-2010



The share of top percentile in total income rose since the 1970s in all Anglo-saxon countries, but with different magnitudes. Sources and series: see piketty.pse.ens.fr/capital21c.

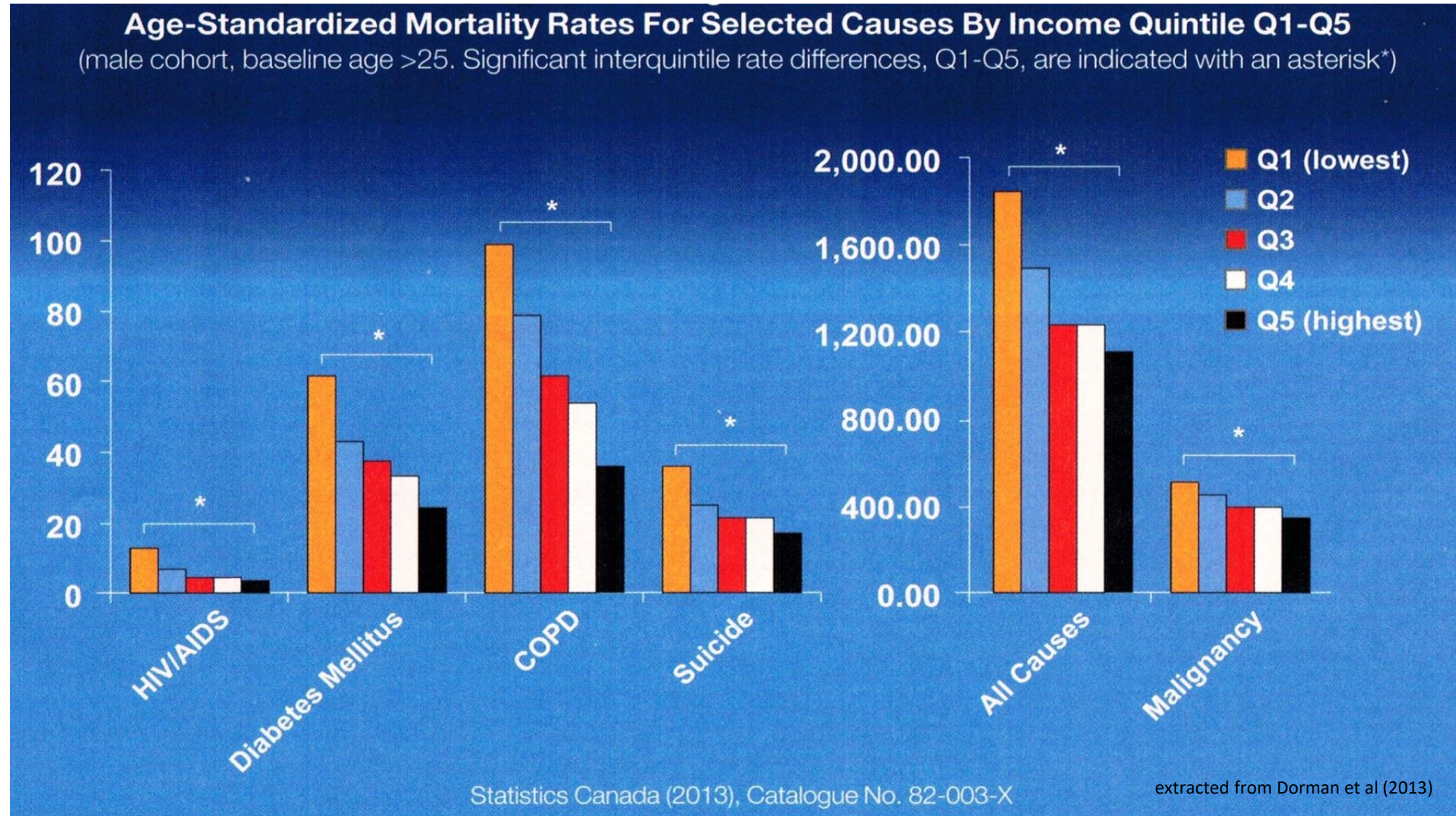
planet · people · profit

Figure 9.5. The top 0.1% income share in Anglo-saxon countries, 1910-2010

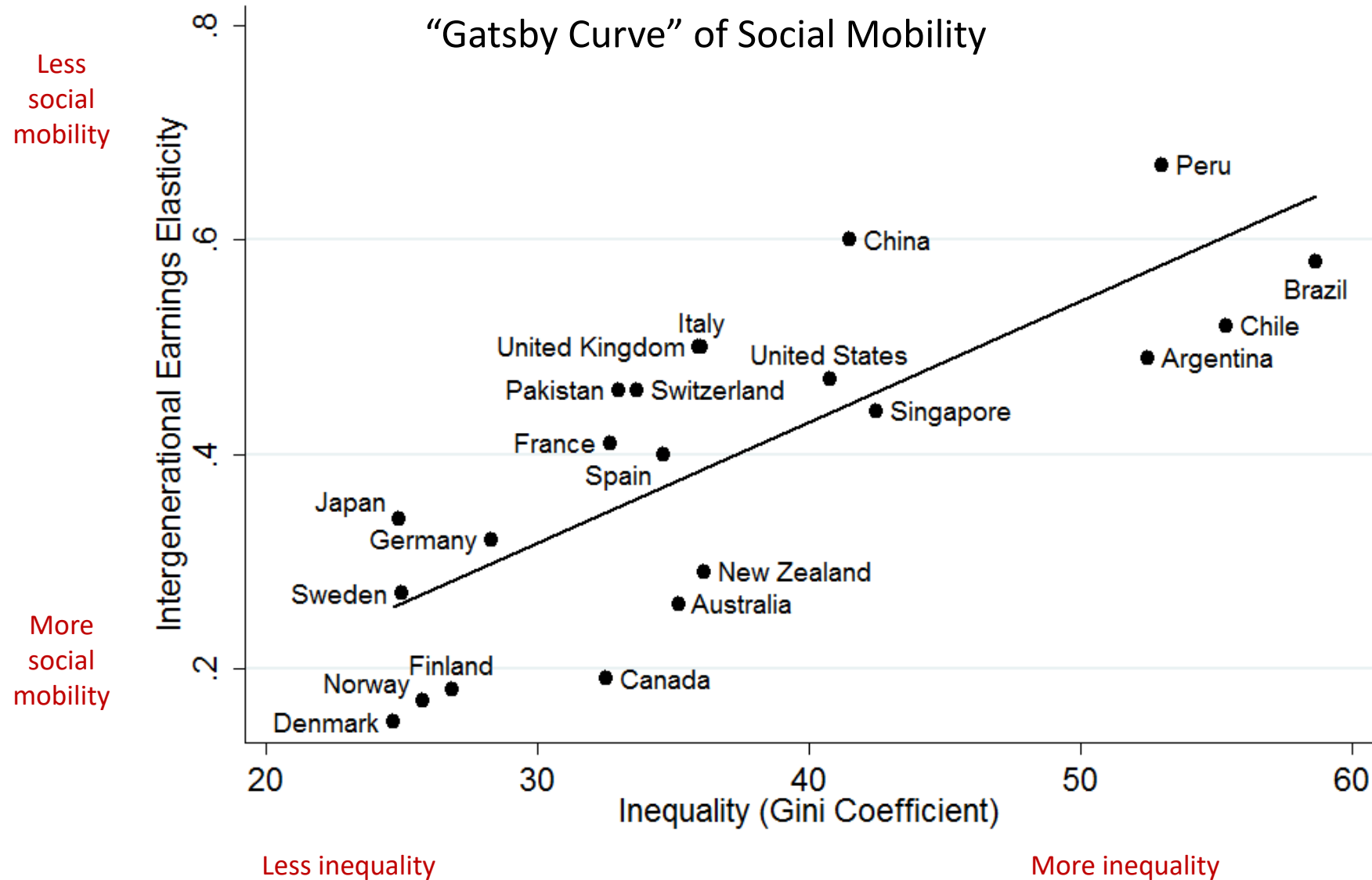


The share of the top 0.1% highest incomes in total income rose sharply since the 1970s in all Anglo-saxon countries, but with varying magnitudes. Sources and series: see piketty.pse.ens.fr/capital21c.

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planet · people · profit



planet · people · profit · pandemic (recovery)

we need a broader support system that directly supports people:

basic income that flows quickly

basic jobs that are plentiful and meaningful

basic provisions of necessary goods and services

basic wealth through common asset trusts

we should be skeptical about indirect supports flowing from stimulus

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Sector stimulus needed to generate **one job in the sector**



\$ 1.6 M
\$ 422 K



\$ 0.1 M
\$ 56 K



\$ 2.5 M
\$ 352 K



\$ 0.1 M
\$ 60 K



\$ 0.3 M
\$ 135 K



\$ 0.1 M
\$ 88 K

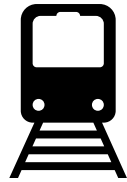
Sector stimulus needed to generate **one job in the economy**

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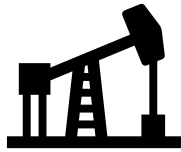
Sector stimulus needed for \$1 in wage income in that sector



\$ 19
\$ 7



\$ 1
\$ 1



\$ 13
\$ 4



\$ 2
\$ 2



\$ 4
\$ 2



\$ 2
\$ 2

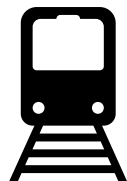
Sector stimulus needed for \$1 in wage income in the economy

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Economy-wide GHGs generated per \$M output from the sector



330 T
107 T



360 T
25 T



1890 T
704 T



80 T
6 T



380 T
41 T

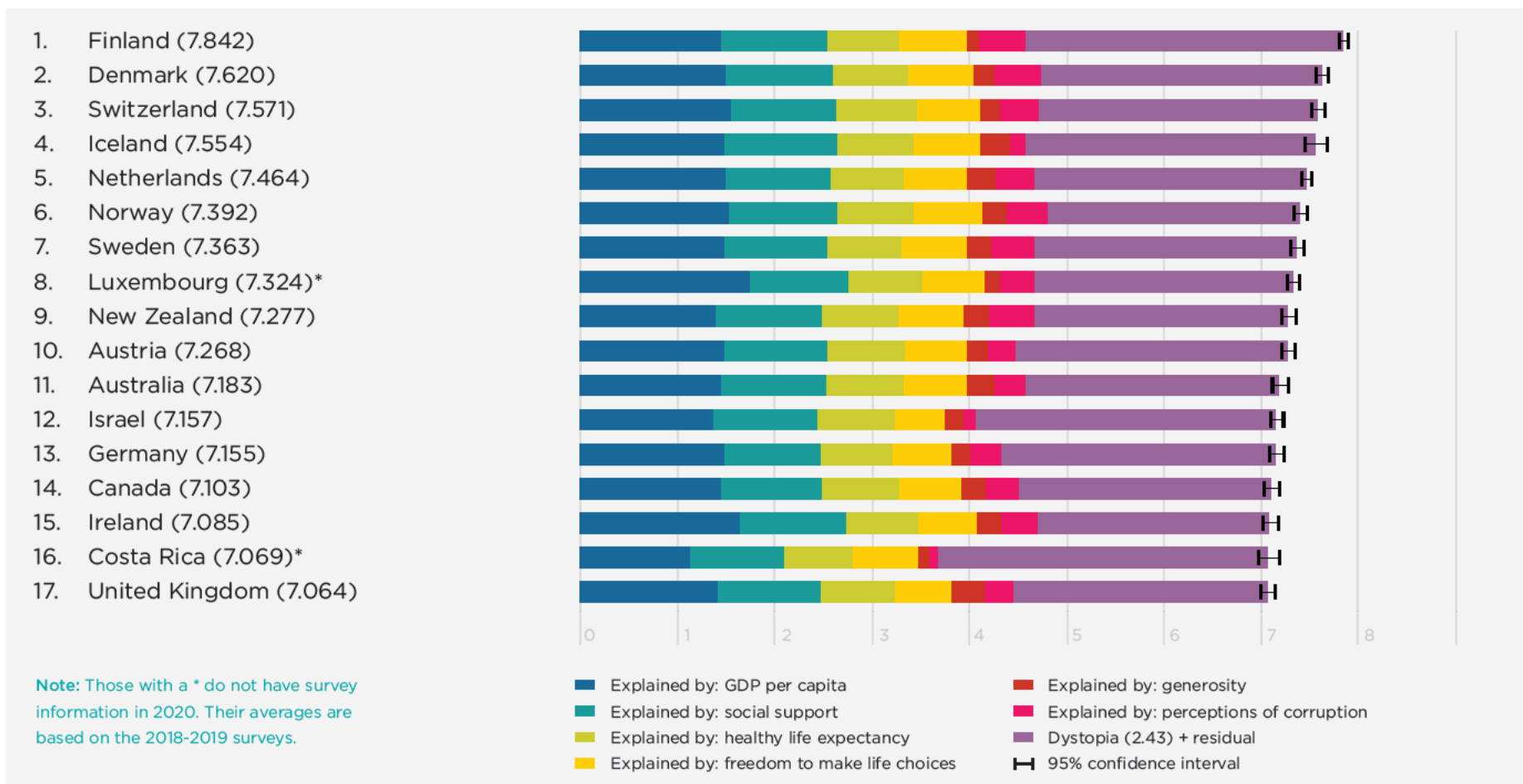


240 T
22 T

Economy-wide GHGs per job generated by stimulating the sector

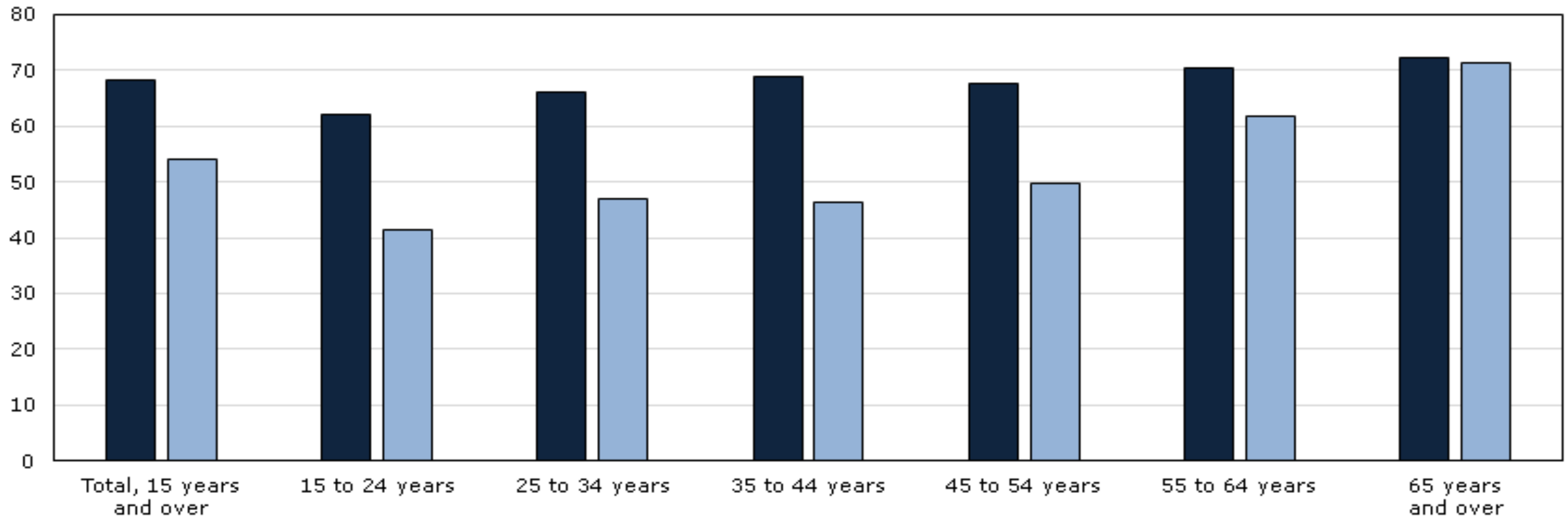
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we need to target better measures of performance; e.g. life satisfaction

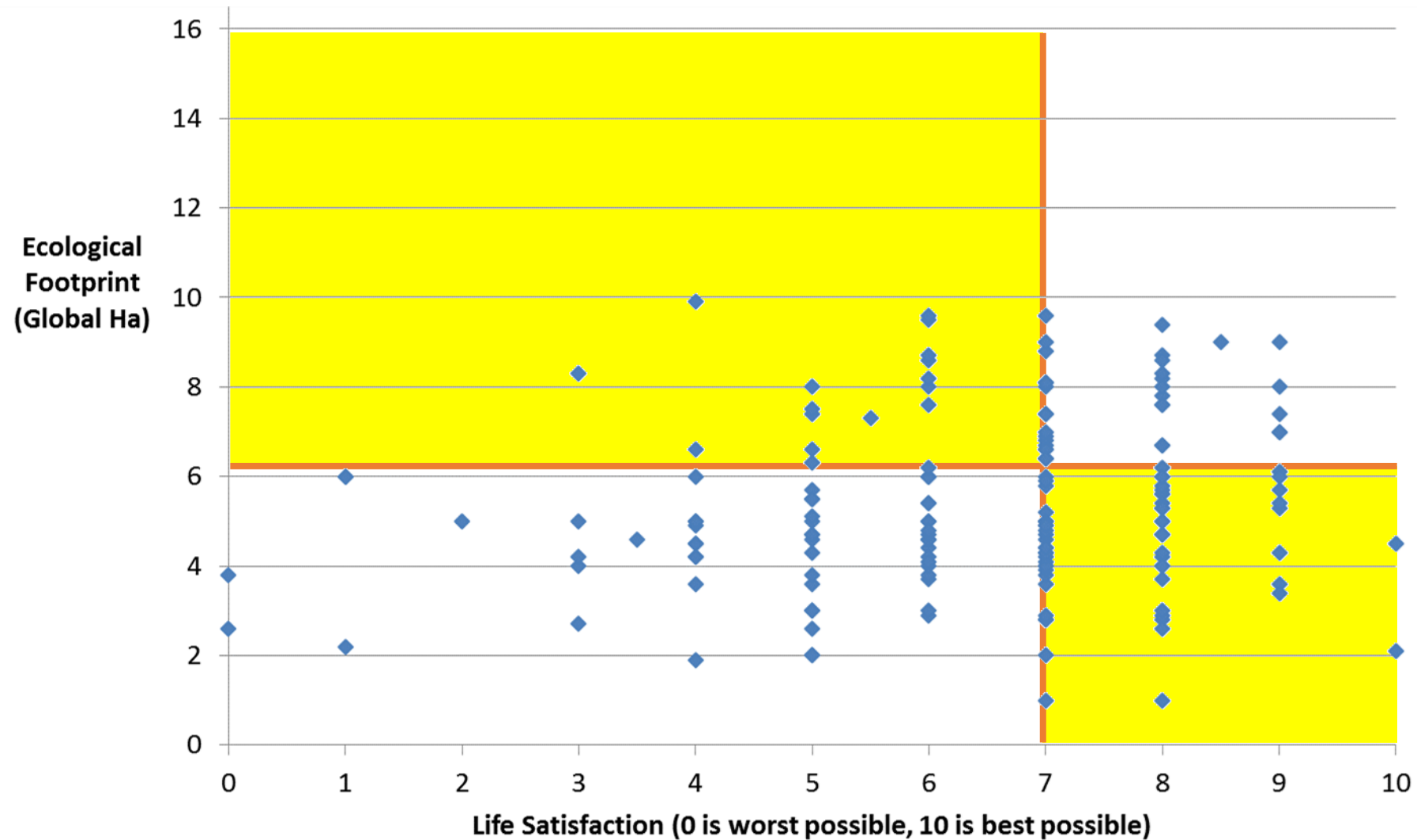


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We need to be attentive to the distribution of life satisfaction
e.g. percent of Canadians, by age group, reporting excellent or very good mental health
during covid-19 period (light blue) versus same time of year in 2018 (dark blue)



planet · people · profit · pandemic (recovery)



$$\max \left(\frac{\text{Human wellbeing}}{\text{Human metabolism of ecosystems}} \right)$$

$$\max \left(\frac{\text{long lives equitably lived with high life satisfaction}}{\text{ecological footprint}} \right)$$

subject to sustaining biocapacity

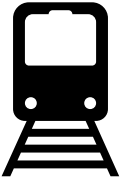
Conclusions

- Choose Ecological Economics to address issues of sustainability and efficiency and equity
- Measure our metabolism of nature and live within its regenerative limits
- Don't undermine non-market values in the pursuit of market value
- Prevent inefficiencies by internalizing non-market value
 - Accelerate the adoption of the polluter pay principle, especially for ghgs
 - Conserve nature to sustain its provision of unpriced ecosystem services
 - Recognize and respect the economic importance of unpaid care
- Prevent inequities by reducing and redistributing unearned surplus
- Recognize that wealth is more unequally distributed than income
- Recognize that income inequality is also a health problem
- Recognize that income inequality can also persist across generations
- Canada needs broader support systems that directly supports people
- Be skeptical about indirect supports flowing from stimulus
- Economic policy should target better measures of performance

Statistics Canada Sectors represented by icons



Automobile and light-duty motor vehicle manufacturing [BS336110]



Urban transit systems [BS485100]



Oil sands extraction [BS211140]



Nursing and residential care facilities [BS623000]



Transportation engineering construction [BS23C100]



Repair and maintenance (except automotive) [BS811A00]

Resources I would encourage you to explore

- Ecological Footprint data: <https://data.footprintnetwork.org>
- Ecological Footprint work: <https://footprint.info.yorku.ca>
- Life satisfaction data and analysis: <https://worldhappiness.report/ed/2021/>
- Happy Planet Index: <http://happyplanetindex.org/>
- Ecological Economics: Online CANSEE conference May 27-29.
<https://cansee.ca/cansee2021/>

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