

17 In my view: Human rights, not gross domestic product, must be our guiding star

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The global economy, fuelled by the pursuit of growth, is hurtling us towards climate collapse. Yet even with the fires, floods and other environmental alarm bells, our approach to poverty eradication remains much the same: grow the economy first, then redistribute the wealth through social policies at home, or official development assistance overseas.

This is the time-honoured approach, despite the fact that while the world has never been wealthier, about 700 million people are still living in extreme poverty (World Bank Group, 2024^[1]). Billions more lack access to the most basic of human needs such as food, water, sanitation and healthcare. In a world that is on track to have its first trillionaire within a decade but to not eradicate poverty for another two centuries, something clearly isn't working (ILO, 2021^[2]; Oxfam, 2024^[3]).

And this is a horrible irony that while the conventional recipe for combating poverty is increasing economic growth, people in poverty are hardest hit by the ensuing environmental destruction this growth brings about. People living in poverty are the first victims of air pollution, landslides and flooding because they are forced to live wherever they can afford housing, and they are overrepresented in the 1.2 billion jobs (40% of the world's total) that depend on healthy ecosystems (United Nations, 2020^[4]; ILO, 2018^[5]). How credible are poverty eradication strategies that destroy the very foundations of the livelihoods of people in poverty?

This is not to say that growth does not have an important role to play in low-income countries, where significant investment is still required for the improvement of public services. In practice however, this growth has often relied on the exploitation of a cheap workforce and the plundering of natural resources, ultimately leaving a small number of individuals in control of vast amounts of wealth (Chiengkul, 2018^[6]).

It is time for a new approach – one that leads with addressing the interrelated challenges of poverty eradication and environmental sustainability, rather than seeing these challenges as an afterthought or a hoped-for by-product of increased gross domestic product (GDP).

This will require a global reckoning with what we consider “progress”. Already, new alliances are emerging that were impossible to imagine even ten years ago, gradually coalescing into a counter-movement to the dominant narrative of progress. This movement sees no trade-off between poverty eradication and a liveable planet, and indeed, it is only by addressing both at the same time that we can succeed in tackling either (Raworth, 2024^[7]).

The OECD itself has made an invaluable contribution to this “beyond growth” movement and the search for alternative measures of progress to GDP, commissioning in 2018 an Advisory Group on a New Growth

Narrative. As the group's report states: "For most people today, rising GDP is no longer a sufficient measure either of their own well-being or their sense of society's economic progress" (OECD, 2020^[8]).

One way development co-operation actors can move this agenda forward is through supporting measures that produce a "triple dividend": reducing our ecological footprint while at the same time creating employment opportunities and improving access to the goods and services essential to the enjoyment of human rights (United Nations, 2020^[4]).

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In the energy sector, for example, the shift from fossil fuels to renewable sources of energy has important job-creation potential. Spending on renewable energy produces nearly 70% more jobs than spending on fossil fuels per US dollar of expenditure. Measures to promote energy efficiency more generally will reduce energy bills for people facing poverty, thereby decreasing both the environmental impact of households and energy poverty (Chen, 2018^[9]).

The same is true for the building sector, where focusing on delivering energy-efficient homes would cut energy consumption, create jobs and ensure access to decent housing; the food sector, where more sustainable agricultural practices would reduce the environmental impact of food production, create jobs and ensure access to healthy and nutritious diets; and other sectors such as transport.

These sector-specific measures would go a long way towards reconciling poverty eradication with the need to remain within planetary boundaries. They will remain insufficient, however, unless more structural changes take place to address inequality (De Schutter, 2024^[10]).

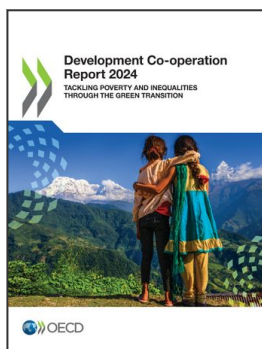
As long as wealth is held by a small elite, their investment choices and lavish consumption patterns will continue to pummel the planet; since 1990, the wealthiest 1% of the world's population has been responsible for 23% of the total increase in greenhouse gas emissions. And these powerful economic actors will veto any change that might challenge the status quo they benefit from (Chancel, 2022^[11]).

A radical course correction is needed. I urge the development co-operation community to prioritise the fight against inequality over the pursuit of growth. Human rights including the right to a healthy environment, not GDP, must be our guiding star.

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