

Chapter 10. Consumption

The notion that we can shop our way to happiness pervades mainstream American life. But it wasn't always this way. Consumer culture is the product of a deliberate campaign developed in the 1930s by businessmen who were worried they were meeting their customers' needs too well.

—The Editors, Orion Magazine (2008)

The notion that ever-increasing consumption is the basis for a sound economy is a relatively recent delusion. It was deliberately nurtured and reinforced through intensive marketing and advertising, beginning in the 1920s, when Charles Kettering of General Motors wrote an influential article titled “Keep the Consumer Dissatisfied.” The shift had begun from meeting real needs to creating ever-increasing “wants.” The gospel of consumption was born, and it has now spread around the world, more powerful and dangerous than a religion that demands human sacrifice. Consumerism may well risk the future of virtually all species living on Earth.

The belief that consumption defines a society now plays a pivotal role in the U.S. political process, the organization of its financial systems, and the ongoing destruction of its resources and environments. This belief also drives the concomitant decline in community, health, and well-being. More than two-thirds of the U.S. economy, as defined by the flat-Earth economists, is consumption. This is preposterous and unsustainable. Everyone cannot consume all of the time—someone has to produce! And investments must be made in long term security and sustainability.

If Americans are to believe their leaders, not only must consumers buy more, they must buy more year upon year so that the economy will grow and “prosper.” While this has proven to be good for many companies and a few individuals, it is not good for everyone else or for the environment. The growing debt burden that consumers have taken on to meet their wants has led to increasing stress, illness, and dissatisfaction.

Although the powerful myth of consumption would suggest otherwise, research has found that satisfaction, happiness, and quality of life have relatively little to do with consumption. Hunter-gatherers and subsistence farmers often fare better, work fewer hours, and are less stressed. Anthropologist Marshall Sahlins has described these societies as the original affluent societies because they often had unlimited means of providing for their limited needs. They could meet their needs with very little work and with considerable cooperation and joy.

Many people have misguided perceptions of the lives of hunter-gatherers as having been primitive, ignorant, brutish, short, and savage. It is now known how skilled and effective they were in providing the necessities for life. From the !Kung in the Kalahari Desert to the Inuit on the icy shores of the Arctic region, the hunter-gatherers mastered their worlds. They often worked 14 hours a week or less, as much as many

people now work in a day to barely scrape by. In many cases they lived long and generally satisfying lives full of interaction, companionship, play, and humor. To many people's surprise, the percentage of adults over the age of 60 among the !Kung in the past was about the same as in industrialized societies today, and higher than the United States for much of its history.

These cultures also tend to be gentle and relatively free of violence, because cooperation plays such an important role in survival, although, as in anything involving people, there are exceptions. In 18 months living with the Nyae Nyae !Kung (65 people), the late anthropologist Lorna Marshall witnessed only four flare-ups of anger and heard of three others in nearby bands. Four of the seven involved sexual jealousy and none involved food. All were resolved by talking, except for a second wife who bonked her husband on the head with a walking stick in a dispute over where they were going after he snatched her baby from her. Contrast this with the stressed, angry, frustrated, and dysfunctional communities of today where domestic and child abuse, road rage, assaults, and shooting sprees occur all too frequently.

One of the causes of anger and frustration in U.S. society today is the intense pressure people feel to buy more than they can afford. Americans are exhorted to buy more because consumer spending now accounts for such a large part of the U.S. economy. Economists, politicians, and pundits preach “consume, consume, consume.” They argue that the United States must spend its way to prosperity. Debt? Savings? Frugality? These old-fashioned concepts are from a distant past and held little relevance for Americans until the stock market collapsed in 2008. They are, however, more relevant and important than ever before.

The entire U.S. economy is based on a market of false costs and false prophets that is unsustainable and inhumane. The 2008 home-equity meltdown is just the latest reminder of the folly inherent in the economy. A credit card debt crisis is next on the horizon. The rise in debt and bankruptcy in the United States has been remarkable in its speed, breadth, and repercussions. And in the wings are the coming disruptions as hedge funds and notational derivatives are valued more clearly.

By neglecting environmental costs, the United States has built a society that uses far more than its share of world resources. Over the past 50 years, the United States has used more resources than all of the people who had lived on Earth before 1960. The average

amount of energy used by one American equals that used by 531 Ethiopians, 168 Bengalis, 38 Indians, and 14 Chinese. Americans make up only 5 percent of the world population, but use 25 percent of the world's energy and 30 percent of the world's resources. And yet happiness in the United States peaked in 1957.

The pressure to buy is particularly pernicious when the disparity between the rich and everyone else is widening so rapidly. An increasing number of people find it hard to meet their basic needs, particularly when those needs have grown to include cable television, a large home, a more powerful and faster car, and many other items that would have been considered luxuries just 40 years ago. While trophy homes and trophy wives have become more prevalent among the small class of rising rich, the reality for most Americans has been a slide down from middle class to the edges of poverty. Some researchers suggest that the percentage of families just making it from month to month has passed 1 in 3. Many of these families can just barely make ends meet by scrimping all the time and by giving up medical and dental insurance and care.

Many make it from month to month by increasing their credit card debt. Others went for years taking out loans against the rising value of their homes, which are now worth less than the loans. Families are right to be worried. Bankruptcy rates increased seven fold from 1980 to 1998, and home foreclosures increased dramatically from 2006 to 2008.

These economic issues have not been unique to the United States. Many countries have fallen victim to the gospel of consumption. Australia, The Netherlands, New Zealand, and the United Kingdom have seen comparable debt problems emerge (Table 10.1). And many other countries have also lost their way, with declines in savings, increases in debt, and rising tension between the rich and poor. The burden of debt, however, is much worse in the United States, because it limits access to health and dental care in ways that are inconceivable to many Europeans, who may also have lost money and who may also be more in debt, but who can still get health care.

Table 10.1. Debt-to-Income Ratio

	Percent
Australia	142
Germany	101
Japan	122
Netherlands	185
United Kingdom	136
United States	143

Source: ESRC Information Center.

Much of the apparent prosperity of the last 20 years was an illusion created by falling savings and rapidly rising debt (Figure 10.1). Just as the profligate son

looked rich as he spent the family fortune, so the United States looked rich. Bank accounts and assets were liquidated to keep up appearances. Repeated loans against home equity drew money from inflated home values to pay for both necessities and luxuries. These bad decisions crashed into view as part of the foreclosure crisis of 2008.

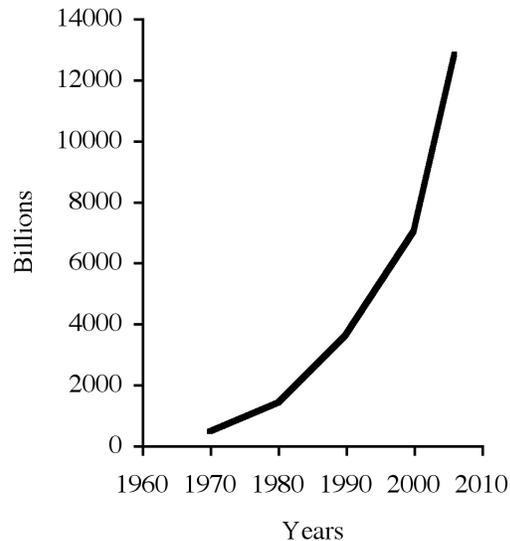


Figure 10.1. Total household debt

Frugality, living within one's means, is as old fashioned as waiting to buy something until you can afford to pay for it with cash. The market collapse and financial uncertainty have led to the return of the layaway at stores, where consumers make payments until the object they wish to buy is paid for (Figure 10.2).



Figure 10.2. Layaway makes a comeback

Declines in the savings rate illustrate the success of the gospel of consumption and living for today, not the future (Figure 10.3). Why save when you can borrow now and borrow tomorrow as well? The savings rate in the United States was near zero or negative until the market collapsed in 2008. It would be interesting to correlate spending on advertising expenditures with declines in savings.

The government has been complicit in this folly, printing more money to make people feel “richer,” offering cash refunds to stimulate the economy, and encouraging everyone to spend and buy more, because it’s “good for the economy.”

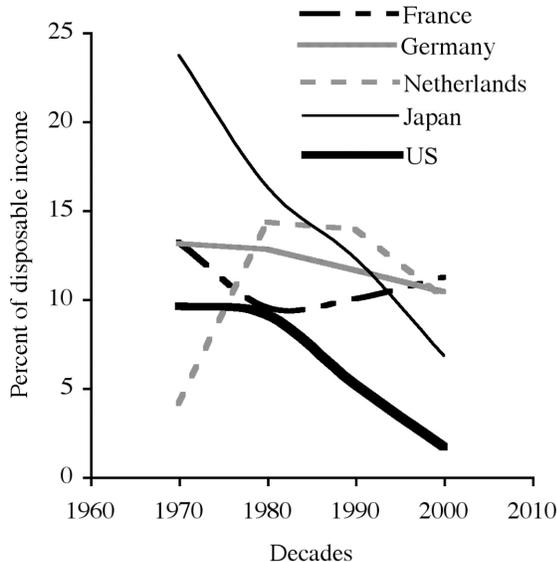


Figure 10.3. Savings rates

Too much becomes too little very easily. During the “greed is good” 1980s, an investment banker making \$600,000 per year in New York was just scraping by. A poor fellow who was making only \$250,000 lamented, “I’m nothing. You understand that, nothing. I earn \$250,000 a year, but its nothing, and I’m nobody.” Contrast this “tragedy” with the 2 billion people in the world who live on \$2 or less each day. How twisted has U.S. culture become? Advertising has played a major role in selling this big lie.

Advertisers spend billions of dollars every year to get people to buy more stuff they do not need (Figure 10.4). Advertising expenditures in the United States exceed the gross domestic product of many countries. Annual network and cable television advertising expenses alone approach \$40 billion in the United States, and on average television owners watch 1,500 hours (62 days) of programming each year. By the time a television-watching American graduates from high school, he or she will have seen 350,000 advertisements. The average adult sees 21,000 television ads each year, and is exposed to as many as 3,000 ads each day from many different sources. In recent years, the 100 largest companies have paid for 75 percent of all television ads. They do so because the ads work. Psychologists and behaviorists earn millions by helping manufacturers and businesses devise advertising campaigns that will sell more stuff that no one needs. In a 2002 survey, 93 percent of teenage American girls said that their favorite activity was

shopping. College freshmen are increasingly concerned about being “well off,” and more and more feel that a “philosophy of life” is unnecessary. In truth, however, they have adopted a philosophy that “greed is good, as the gospel of consumption teaches.”

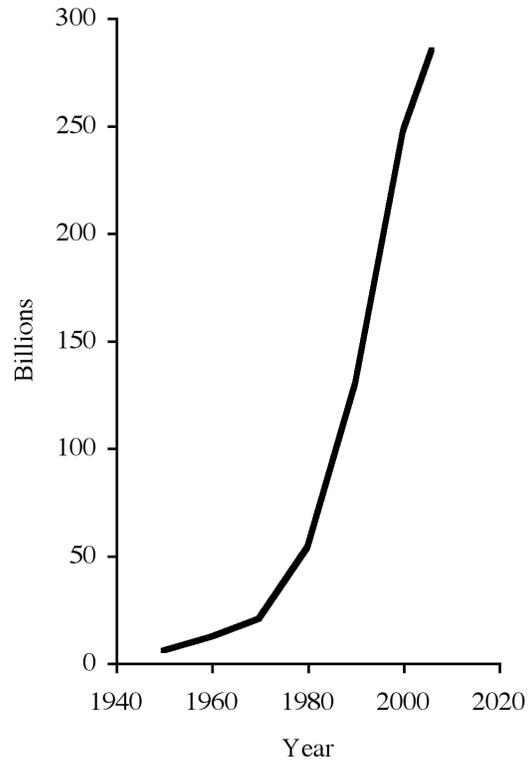


Figure 10.4. Annual advertising, U.S.

Younger and younger children have become targets for advertisers. In recent years, advertisers have extended their hooks into schools by offering “free” televisions for schools in exchange for running ads on those televisions. They have also made deals to place vending machines in schools as well as school credit and debit cards, phones, and other consumer goods. And the pressure is on to get credit and debit cards into the hands of younger and younger people. Some high schools and colleges offer an ID card that also serves as a debit card, the hope being that the revenue from the credit card service fees will help offset decreased government school funding.

The impact of all this advertising is often most pernicious for those with the least amount money. People can identify brand names and taglines, but not the candidates for President of the United States. A teenager with nothing will risk his or her life to get the latest, trendiest, and very expensive athletic shoes, when a comparable unbranded pair costs only a tenth as much. A branded shirt, watch, or shoes may be seen as the way to offset a negative self-image. “I’m not nobody, I wear the shoes that Kobe Bryant wears.”

This search for self by conspicuous consumption diverts critical attention and resources from activities that could lead to improvement in life opportunities. Money that could be spent on education, books, and training is wasted on shoes, clothes, jewelry or electronic trinkets.

The most recent tragedy in the gospel of consumption is prescription drug advertising. Once prohibited from advertising to the public, large pharmaceuticals now saturate the airwaves with prescription drug ads that encourage viewers to tell their doctor what prescription drug they “must have” while downplaying serious side effects and potentially lethal drug interactions. The blue pill, the purple pill, any pill for God’s sake! The net result of drug advertising is likely to be much more harm done than good for most, except for the pharmaceutical giants.

Intense advertising targeted at the public and medical professionals as well as misleading information supplied to doctors and the U.S. Food and Drug Administration (FDA) all played major roles in the Vioxx scandal that began in September of 2004, when Merck voluntarily withdrew the drug from the market because of concerns about increased risk of heart attack and stroke associated with long-term and high-dosage use. The estimated health costs include perhaps as many as 28,000 lives, according to a scientist from the FDA. Imagine the news story if 100 jumbo jets crashed and 28,000 lives were lost! In sad contrast, when people die one by one they are rarely counted.

Health costs for the increasing abuse and misuse of drugs are staggering and will get worse, but there are also many environmental costs. These products are now found in almost every water body in America. Drugs are introduced to water supplies in part by the users, but also from criminally stupid disposal recommendations and requirements that result in old and out-of-date drugs being flushed down toilets. Some hospitals and nursing homes dump many boxes of drugs into sewers every year as they were directed to do. As a result, hormones (especially from birth control pills), psychotropic drugs, painkillers, and antibiotics are found virtually everywhere they are tested for. In some rivers the hormone loading is so high that male fish are no longer fertile and are

developing female characteristics. Water-borne hormone loading also appears to be a factor in declining sperm counts in men in the United States. Perhaps excessive consumption will be self-limiting after all.

Psychology provides the hook for selling, and incomplete accounting makes it possible to say a product or service is profitable when it is not. Advertisers and their psychologists convince consumers that new and improved products will make them look prettier, sexier, more powerful, smarter, and more hip. Buying the new and improved “it” item will win us friends, make us thin, make us rich, and find us love and new, more satisfying sex partners. Those with the lowest self-esteem are the best targets, yet no amount of goods can provide a sense of self-worth.

The pressure from all this advertising and cheerleading (buy, buy, buy) has led to a dysfunctional relationship with and understanding of money, goods, and wealth that has been labeled “influenza.” At the core of the disease is the belief that more money and more possessions will make a person happy. The tragic and short lives of many rich stars make it clear that this is not true, although it is generally acknowledged that it is better to be rich and unhappy than poor and unhappy.

What Does Matter?

In 1975, Geraldine Norman, former art correspondent for the London Times, introduced a very useful approach for evaluating how well a society is doing after observing a difference in life satisfaction between her community in England and a community in Botswana where she worked. She found that although the people in Botswana had a great deal less, they were happier. Using her study approach and scale, the people of Botswana ranked at 7,070 points, 15 percent higher than the English total of 6,120 points.

Try this approach yourself with the simplified form presented in Table 10.2. First, rank the importance of each category by assigning points out of a total of 100. Then estimate your percent satisfaction for each category. Multiply your importance points by percent satisfaction to get your score (e.g., 10 importance points × 50% satisfaction = 500 points out of 8,000 possible points).

Table 10.2 The Satisfaction Index

	Importance	% Satisfaction	Score
Physical needs, safe water, clean air, shelter			
Family and friends			
Community			
Security, freedom from fear			
Equity – fairness in economics and access to resources			
Health, access to health and dental care			
Opportunity – access to education, job prospects			
Achievements and recognition			

100 points total 0-100%
TOTAL _____

Review these satisfaction factors carefully. Which can be bought? Most are not for sale, and many are made more scarce and inaccessible by a focus on consumption. More time at work means less time for family and friends. And family and friends must often be left behind as urbanization and globalization lead young people away from home, sometimes never to return. Many international students in my classes have been appalled by the costs to families paid willingly by almost everyone in the United States, and they look forward to getting home to their extended families and stable communities.

The late Norwegian philosopher Arne Naess argued that sustainability will improve if more people stay at home and think and live locally. Just as the Locavores would have people eat locally grown and produced foods, so should people think of being “localists.” However eloquent they are, Naess’s essays have not halted the depopulation of the Norwegian countryside. In the United States, the average age of residents living in rural areas is rising fast (often above 60 years), and towns and communities are fading away, depopulated, and economically crushed as young people move to cities far away in response to false signals from failed accounting.

A focus on consumption and acquiring possessions is stimulated by, and reinforces, a lack of self-esteem, depression, anti-social behavior, and illness, according to studies done by psychologist and professor Tim Kasser. He observed that people who were paid to complete a task they normally found pleasurable felt it was less rewarding than when they were asked to do it without compensation. In small towns and communities the unpaid favors are often the glue that holds the community together. Even when money exchanges hands it is often done after the fact, to avoid demeaning the exchange. Kasser also found that a focus on materialistic rewards shapes attitudes toward others, reduces social interaction and support, and increases vulnerability and fear.

Efforts to compare life satisfaction between countries have been underway for several years (Table 10.3). We can expect a few changes with the financial collapses in Iceland and Ireland.

Table 10.3. Satisfaction with Life Comparison 1995-2005 (scale 0 [none]; 10 [very satisfied])

Doing well

Denmark	8.2
Switzerland	8.1
Colombia	8.1
Austria	8.0
Iceland	7.8
Finland	7.7
Sweden	7.7
Canada	7.6
Norway	7.6
Guatemala	7.6
Ireland	7.6

Not doing well

Macedonia	4.9
Mali	4.9
Azerbaijan	4.9
Egypt	4.8
Latvia	4.7
Iraq	4.7
Lithuania	4.6
Russia	4.4
Albania	4.4
Pakistan	4.3
Bulgaria	4.2
Georgia	4.1
Belarus	4.0
Armenia	3.7
Ukraine	3.6
Zimbabwe	3.3
Tanzania	3.2

Source: From R. Veenhoven.

Comparing different cultures is always challenging, but carefully developed and tested surveys can contrast people’s attitudes in different countries with some degree of confidence. Studies show that per capita income does not fully explain life satisfaction. Equality, opportunity, community, and justice may matter more. Costa Rica, which has invested in health care and education instead of war, often ranks near the top despite a per capita income of \$10,000. In contrast, the United States, with a per capita income of \$42,000, is ranked seventeenth. Colombia, with a per capita income of only \$2,170, is ranked second, far ahead of thirty-ninth-ranked France, where per capita income is close to \$25,000.

Equity and opportunity also matter. Denmark is near the top in terms of equity and ranked first in satisfaction. The United States is ranked seventy-second in equity, and inequity is increasing fast. These factors both contribute to a growing sense of dissatisfaction, foreboding, and unease. In some ways the United States now more closely resembles Brazil or Mexico than a European country. It is becoming more and more like a third world country.

Guatemala, which ranked poorly for equity, did well for satisfaction. So it is not simply equity that matters. It is also family, community, and culture, which remain strong and healthy in Guatemala and Colombia. Corruption and lack of opportunity can also increase feelings of dissatisfaction, which are pervasive in many of the former satellite states of the Soviet Union.

Better Methods to Assess Policy Success

The satisfaction survey results discussed above suggest that how success is measured should be reconsidered. What criteria should be used to determine how well a society is doing? The historic focus has been on money (gross national product [GNP] or gross domestic product [GDP]). Several other measures have

been suggested that have very different definitions of success. They include the Genuine Progress Indicator (GPI), United Nations Human Development Index (HDI), Index of Sustainable Economic Welfare (ISEW), National Well-Being Index (NWI), and, perhaps best of all, Gross National Happiness (GNH).

GDP is most commonly used to measure a country's economy, and these numbers are often used in news reports. GDP is the total sum of goods and services produced in a country, including consumption, investment, government, exports, and imports. GDP does not consider volunteer labor, the unequal distribution of income and goods among the population, human capital, human satisfaction or health, natural capital, nature's services, asset value, or resource depletion. GDP does include economic expenses related to crime and divorce (legal fees, medical bills, property replacement, etc.) as benefits to a country's economy.

A country can have spectacular growth in GDP while at the same it is bleeding its resource base dry and abusing its citizens. During the great rubber boom that began in the 1890s, the economy of the Congo performed well in terms of GDP despite the catastrophic cost to the Congolese people and the environment. The Yucatan Peninsula appeared to prosper during the henequen boom, but at an inordinate cost to people and the environment. The average lifespan of a field-worker was often measured in months, and slaves and prisoners were imported from as far away as Sonora to meet the need for labor.

The new indices that have been suggested attempt to develop a more comprehensive view of a country's economic success. For example, the Genuine Progress Indicator (GPI) factors in the inequitable distribution of income and goods in a population. It counts a widening gap between "the haves" and "the have-nots" as a loss, and a closing gap between the two as a benefit. In this respect, GPI is a better measure of the well-being of a country's people than GDP. GPI attempts to include the value of household work and volunteer work by estimating how much money it would cost to hire someone to do the work. GPI acknowledges the value of "leisure time"; when leisure time increases, so does GPI. GPI considers the expenses related to crime and divorce as losses instead of profits. GPI estimates the human and environmental costs related to pollution (e.g., environmental cleanup, medical bills for asthma and cancer), and counts the costs as losses. GPI attempts to include some recognition of resource depletion and degradation of wetlands, farmlands, and minerals, including oil. People feel GPI, not GDP. When GPI declines, people feel worse off. In many developed countries GPI has been steady or falling, while GDP has been rising. Traditional economics says that things are getting better, but people are frustrated and unhappy. Things are not getting better for them.

The Index of Sustainable Economic Welfare (ISEW) is an even more complex metric. Like GPI, ISEW considers human welfare and environmental health and emphasizes the distinction between beneficial and detrimental production. In sharp contrast to GDP, which places a high value on quantity and consumption, ISEW places a high value on quality and minimal consumption. Like GPI, ISEW includes and ascribes a positive value to factors such as equitable distribution of income and goods, household and volunteer work, and leisure. ISEW also considers natural resource and environmental costs, such as pollution and health costs. Crime-related costs and military production are considered negative factors rather than positive, as they are in GDP. ISEW also includes: democracy in the workplace; proximity to full employment; free, open, and fair trade practices; energy efficiency and conservation; human capital (valuing education and training); preventative public health measures; family planning; life expectancy; infant mortality; affordability of housing and shelter; and mental health.

The United Nation's Human Development Index (HDI) also attempts to include natural, social, human, and built capital. The National Well-Being Index (NWI) focuses more on people, borrowing from HDI.

GPI, ISEW, HDI, and NWI all offer a better picture of the quality of life and the sustainability of a community or country than GDP or GNP. But why not instead just look at how people feel? Bhutan has adopted a goal of trying to optimize Gross National Happiness (GNH). Using surveys and sustainability criteria, the country is trying to forge a new path. GNH may turn out to be a much more appropriate measure of a country's success. It will be very interesting to see who else gives it a try. As Bhutan's national Human Development Report so clearly puts it, "Ultimately a happy society is a caring society, caring for the past and future, caring for the environment, and caring for those who need protection. Establishing such a society will require a long-term rather than a short-term perspective of development."

Changing from Consumption to Sustainability

As Robert Costanza has written, "The purpose of the economy should be to provide for the sustainable well-being of people." True cost accounting and truthful labeling is an important first step in reshaping the economy to meet this goal. If true costs were paid, goods and services would often cost three to ten times more. Price increases would provide incentives to buy less goods and services, improve how they are made, take better care of them, and reduce adverse environmental and social impacts during their lifetime. Ultimately it is not the goods or services that are bad, it is the way they are produced, used, and thrown away.

The next time you are in a store, look carefully at how few things are well made, useful, and worth

producing. In the last year I have purchased or been given three new products (toaster, blender, waffle maker), and all failed within the first week. They were not the lowest-cost versions; in fact, one was quite expensive. True cost accounting would help drive low-quality products from the market. Products such as the three that failed should last a lifetime, as they used to.

The tax system also needs to be reformed to send signals that promote human well being and a sustainable environment instead of pollution, destruction, and abuse. For this to happen, the political process needs to be reinvigorated to favor the many instead of the few. Strong democracy will be critical to stop “free lunches” for the subsidy miners, free riders, and special interests that now dominate state and national agendas. For example, according to David Cay Johnston (formerly a reporter for the New York Times), Cabela’s sporting goods managed to obtain subsidies worth \$293.7 million from 2004–2006, considerably more than their profits in the same period (\$223.4 million). The nearly \$300 million could have provided many more benefits if they had been left in taxpayers’ pockets or invested in education, health, and the environment.

Advertising should be taxed, with higher fees for harmful or destructive products. The charge might be related to global warming impact, carbon emissions, or harm to health. Automobile ads might be charged a per-mile impact fee for emissions for the advertised product, with no tax for a zero-emission car. If an advertiser wants to show inappropriate use of an off-road vehicle, it should pay an impact fee of \$200,000 or more. And if risky behavior is shown in an ad, such as a car speeding through a city, then fees would be doubled and the funds would be channeled to hospitals and health care providers.

An impact fee might also be charged for food advertising, with a substantial fee for ads featuring fast foods made with saturated fats. The fee might start at 5 percent and rise to 10 percent over 10 years. Impact fees for industrially produced beef, chicken, and other meats would be comparable to those of fast food, while fees for locally grown organic grains, nuts, vegetables, and fruits would be waived or very low, reflecting their minimal impact on the environmental and positive gains in human health.

It is also critically important to start counter-programming. The gospel of frugality is something anyone who lived before or through the Depression can appreciate. Just like helping someone escape from a cult, consumers will need a hand in regaining a healthier perspective about their wants. Affluenza can be treated. Fees on advertising could be used to provide public service announcements on sustainability, health, and community. Just as anti-smoking ads have dramatically cut cigarette smoking, so can affluenza ads reduce consumerism. Most consumers are simply unaware of the

impact of their choices. The more they know, the less likely they will make unsustainable choices.

Adbusters magazine has promoted an antidote to consumerism called “Buy Nothing Day, November 26!,” which is becoming a local, state, national, and international movement. Started in 1992 by artist Ted Dave, the idea has spread around the world, with dozens of grassroots organizations finding their own unique way to celebrate rethinking consumption. Some groups in the United States dress in sheep costumes to become “blind consumer sheep,” while others set up credit card cut-up booths. Zen-ta Claus, a gift-less version of Santa, meditates in shopping malls in Japan.

Adbusters once tried to buy television time to advertise Buy Nothing Day, but no one would sell them space. Those advertisers that would talk, off the record, said it was because they were afraid of what their “normal” advertising customers would do. Fortunately Adbusters turned the rejection of the free market into a guerrilla marketing success. Buy Nothing Day might some day be turned into Buy Nothing Week (Figure 10.5).



Figure 10.5. Escape from consumerism

The End of an Era

Consumption was never a good measure of progress, and now it has become a potentially fatal addiction. From its roots in the 1930s to today in 2009, consumption is made possible only by ignoring social and environmental costs. The meaning of consumption in the 1800s was much more accurate than economists’ modern interpretation. Consumption was not good. Consumption then was: “(a) a wasting away of the body, (b) a disease causing this.” It is time to reject sickness and to advocate health, to have healthy lives and a healthy economy for now as well as for future generations.

The human experience is different for everyone, but the goal of a society should be to offer the widest and greatest freedom, opportunity, and justice for all. As Bhutanese economic policy notes, “No one can guarantee human happiness, and the choices people make are their own concern. But the process of development should at least create a conducive environment for a people,

individually and collectively, to develop their full potential and to have a reasonable chance of leading productive and creative lives in accord with their needs and interests.” This will require a redefinition of progress and how it is measured. Consumption will never be the measure or engine of a sustainable economy. True cost

accounting and full transparency are important steps to achieving sustainable prosperity and security and will also change the way people define their lives, lifeways, and expectations. Human health and life satisfaction must be used to measure progress as well as to guide investment.