

SUSTAINABILITY ACCOUNTING – HOW DO WE KNOW WHAT IS SUSTAINABLE?

KEY POINTS

Sustainability addresses ‘start of pipe’ drivers of environmental change.

Global population to increase from 6 billion now to 9–10 billion by 2050.

Sustainability accounting indicators include:

- Ecological Footprint, Life Cycle Assessment, Input-Output Analysis, governance indicators.

Our goal is a standard of living that is environmentally sustainable.

The most obvious way of tackling environmental deterioration is to deal directly with threats to nature and biodiversity by careful management of the land, water and atmosphere.

However, it is the ‘start of pipe’ drivers of environmental change that are now receiving more attention, especially consumer demand and environmentally unfriendly technology.

Between 1950 and 2000 the global economy grew by a factor of 10, energy use increased 13–14 times, use of freshwater increased nine

times, the area of land under irrigation increased five times, and the extinction rate of organisms reached alarming levels.¹

We have certainly thrived economically, but as indicators of economic growth have moved in a steady long-term upward trend, so the indicators of the planet’s biological health have pointed steadily down.

We have already introduced the idea of sustainability accounting as a useful tool to use in managing human impact on the planet. Because sustainability reaches into all aspects