The Age of Sustainable Development

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Jeffrey Sachs is the director of the Earth Institute at Columbia University and special advisor to the United Nations on the Millennium Development Goals. Sachs’ mark on the field of development economics has been substantive and sustained. His early scholarly work from the 1980’s made meaningful contributions to macro-monetary economics, particularly in the areas of growth and stabilization. Throughout the 1990s Sachs expanded his reach beyond academia, to the larger stage of public policy and popular media. Sachs played a significant policy role in several transition economies during the late 80s and early 90s. These experiences were popularized by his own articles, “How to Save the Third World” (Sachs, 1985), “Jeffrey Sachs: My Plan for Poland” (Sachs, 1989/1990), and a PBS mini-series highlighting his role (Heights Productions & WGBH Boston, 2002). During this period, Sachs became an icon for the scope, ambition, and hubris of the economics profession. His most visible influence has come in a series of best-selling trade books: The End of Poverty (2005), Common Wealth: Economics for a Crowded Planet (2008), and The Price of Civilization: Reawakening American Virtue and Prosperity (2011). Several of these works have been reviewed in Faith and Economics.

The Age of Sustainable Development is not a continuation of his trade book series. Instead, it is difficult to know exactly where it fits. Sachs describes the book as a companion text for his online MOOC, by the same title. This volume is certainly textbook sized (over 500 pages) and astonishingly broad in scope. However, it is unlike any development textbook from a commercial press. It is initially striking that—aside from graphics and some UN reports—there are virtually no citations to be found in the book. Instead, it reads as a rolling narrative of economic development, sprung fully formed from the mind of the author. The contributions of other scholars, competing views, or source evidence are largely absent.

It is not clear for whom the book is intended, beyond Sachs’ MOOC. It is far too detailed for general interest, but insufficiently scholarly for many academic programs. In terms of content, the textbook substitutes many traditional topics of development economics—such as the Har-
rod-Domar or Solow growth models—to emphasize climate change and biodiversity. Yet, if you are in the market for a sweeping and detailed treatment of global development, without any of the typical academic trappings of nuance or self-doubt, this is the book you have been waiting for.

Sachs lays out his own vision of sustainable economic development, which envelops four areas: economic prosperity, social inclusion, environmental sustainability, and good governance (p. 4). An ambient theme of the text is the tradeoff between economic growth and global resource depletion. He forcefully argues that current trends in economic growth are ecologically unsustainable. In this way, he is unapologetically Malthusian (p.183). He maintains a firm stance that global resource constraints are either currently binding, or will soon bind, economic growth. Ironically, though, he argues that his own policy prescriptions for sustainable development do not face these same tradeoffs: “We will see through this book why investing in fairness may also be investing in efficiency, and why attention to sustainability can be more fair and more efficient at the same time” (p.13).

Chapters 2 and 3 sketch out a basic description of global poverty, its various forms of measurement, and a historical narrative of global economic growth. I was pleased to see the inclusion of alternative forms of well-being beyond GDP. Sachs includes discussions on Human Development Indicators (HDI) and happiness measurements, which serve to complement material views of well-being. For those familiar with Sachs’ previous work, his walk through economic history in Chapter 3 reveals some consistent themes. He places an emphasis on economic geography and natural resource constraints—particularly agricultural productivity—as the primary determinants of poverty. While he acknowledges poor governance as a potential problem, it is viewed as a symptom of poverty—largely in the context of historical colonial forces.

Inspired by his physician spouse, Sachs introduces the idea of clinical economics in Chapter 4. Using human disease as an analogy, he describes a diagnostic process—similar to a physician—that offers a set of customized policy prescriptions (p.103). Sachs’ personification of poverty as physical disease implies that it can be healed through this diagnostic process. A summary of these interventions is presented in a table (p. 120). Landlocked? Build more roads. Water Stressed? Try solar irrigation. Disease? More public health interventions. No fossil fuels? Invest in
renewables. The details of how these plans will be implemented and their historical record are generally not addressed.

It is unexpected, given Sachs’ medical analogy, that there is no mention of randomized control trial (RCT) experiments, which have become immensely popular in the development community (Banerjee & Duflo, 2012; Karlan & Appel, 2011). RCT and field experiments also draw inspiration from the medical field, specifically drug trials, by attempting to establish controlled conditions that reveal the causal effects of development interventions. A common criticism of RCTs concerns the generalizability of the information that they provide across cultures, geography, and time. This is where the simple analogy to human physiology can break down. The same question could apply to Sachs’ clinical economics approach. However, no discussion of this parallel exists in the text.

Chapter 5 describes Sachs’ concept of the poverty trap. For those who have not encountered this topic in his previous books, the idea is intuitive. The poor are poor because they lack sufficient savings to make the necessary investments to spur growth. Until sufficient savings can be accumulated, societies will be unable to initiate the virtuous cycle of savings and investment necessary for growth. Thus, the solution is straightforward. External investments (international aid) in health, education, and infrastructure can substitute for domestic savings, thereby increasing productivity and getting countries “on the first rung of the development ladder” (p. 171). Criticisms of the poverty trap and the efficacy of international aid are many (Easterly, 2003; 2008). For a more complete discussion of this topic, I will refer readers to previous reviews of Sachs in this journal (Barrett, 2005; Smith, 2009).

In chapter 6, Sachs introduces the topic of planetary boundaries, one that would not typically hold a central place in a development text. With vigor, Sachs attacks a long list of environmental limits to economic growth: climate change, ocean acidification, ozone depletion, pollution, freshwater scarcity, aerosol loading, and chemical pollution. This is, I believe, a strength of Sachs’ work. He stitches together the concerns of an environmentalist (which, he claims, demand a cessation of modern economic growth) with the desires of a development economist for higher levels of per-capita consumption. He criticizes those who claim technology will provide an easy escape from environmental disaster. Instead, Sachs argues that we have already exceeded the limits of resource extraction and pollution in many areas.
Ironically, then, Sachs’ rebuttal to technological optimists is to claim that the “right” set of technologies will save us (p. 215). These technologies are not surprising and include renewable energy and drought-resistant agriculture. At the end of the chapter, he offers a generic list of Pigouvian taxes, Coasian bargains, and regulations. However, he provides no insight as to why these methods have been insufficient to promote sustainable growth in the past.

The book ventures farthest afield in Chapter 7 (Social Inclusion). In this context, social inclusion is defined by an absence of inequality, discrimination, or unsavory cultural norms. Much of this is unfamiliar stuff for a development economics text. Sachs’ apparent ambition is to construct a moral framework for his policy proposals. He starts by offering a cursory summary of philosophical and religious traditions, ranging from Rawls to Bentham, and from Christianity to The Buddha. His technique is to distill a common theme from the entirety of human moral thought. To illustrate, he offers the reader this synopsis: “The three great monotheistic religions—Judaism, Christianity, and Islam—all champion the Golden Rule” (p. 222). One could easily be confused as to why Sachs would feel completed to go down this path. However, he explains himself in this quote:

“The fundamental idea is that all human beings have inherent rights simply because they are human beings. That is true no matter what society they happen to be born into and no matter in which country they reside. These human rights include not only political and civil rights, but also economic rights, essentially the right to fulfill one’s basic needs. To realize these rights means that societies must organize themselves to protect the individual, whether through tax-and-transfer systems or other means. (p. 226)

The quote is central to understanding his book. Sachs’ policy recommendations are sufficiently expansive (and costly) that they require their own moral framework to support them. What, in the end, does a comprehensive framework for Sachs look like? He tells us at the end of the chapter: the United Nations Millennium Development Goals (p.232).

In many ways, The Age of Sustainable Development seems out of date. The work of the Abdul Latif Jameel Poverty Action Lab (J-PAL)
and others has shifted the economic development conversation sharply, from macro policy to small, targeted, and measurable interventions (Banerjee & Duflo, 2012). Simple cash transfers, which are currently in vogue as a development tool (Blattman, 2014), seem to refute Sachs’ planner worldview. Yet, perhaps unintentionally, Jeffrey Sachs has done the profession a favor. *The Age of Sustainable Development* reminds us that the aim of development economics is inherently a normative one. The practice of economic development requires a moral vision, because claiming that the world should be better requires having some image of what it should be.

The main themes in *The Age of Sustainable Development* should resonate with Christian economists familiar with the holistic development literature. Sachs’ attention to the ecological limits of growth and the consequences of environmental change are remarkably similar to Bryant Myers’ work on broken relationships between the self and environment (Myers, 2011). Sachs’ call for more inclusive social systems that provide healthcare, education, and political participation are echoed in a biblical framework described in Corbett and Fikkert (2009). Sachs’ book, despite its limitations, is a call to a broad and normative worldview that is very different from the micro trends in development research. This is similar to what holistic development economists have been arguing all along.

**References**


