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**A CRITICAL COMPARISON OF ENVIRONMENTAL
ECONOMICS AND ECOLOGICAL ECONOMICS, COMBINED
WITH THE CREATIVE VALUE SYSTEM OF DEGROWTH, FOR
A MACROECONOMICALLY EFFICIENT AND EQUITABLE
SUSTAINABLE DEVELOPMENT**

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Abstract

The intersection of the fields of environmental economics and of ecological economics has called for more research in recent literature. Both fields represent turning points from previously held neoclassical approaches which center on rational decision-making of free market forces and value-neutrality, resulting in growth as the principal macroeconomic development goal. On that basis, natural resources were considered subsidiary to man-made ones, as well as substitutable, commensurable and monetizable, with internalizable externalities, provided appropriate pricing within cost-benefit analyses. Environmental economics and ecological economics both resist those tenets, but with different concepts and methods, especially regarding the notions of sustainability and growth. This research investigates them in more depth, by giving a concise yet comprehensive overview of their origins, principles, and differences. Critiques of neoclassical environmental economics and of weak sustainability are listed and analyzed in a way that does not yet exist in the literature. Methodologically, ecological economics is shown to go beyond environmental economics, by conceptually embracing the complex interconnectivity of macroeconomics, socioeconomics and development economics, and by methodologically encouraging a framework of pluralist research approaches and multidisciplinary collaboration. The research then analyses six macroeconomic solution models as to whether these can be recommended for macroeconomic global sustainable development. A special focus will be on the concept of de-growth. The six solution models are divided into two groups, one called “macroeconomic compensation solutions” and a more progressive one “macroeconomic transformation solutions”. The conceptual contribution of this research lies in a unique synthesis and formulation of environmental and ecological economics models. Its methodological contribution is a concise combination of three research paradigms that are particularly suited to ecological economics. Its overall contribution offers conceptually sound, methodologically fruitful and practically viable solutions for macroeconomic policy options, to address worldwide economic, ecological and social challenges.

Keywords: Environmental Economics, Ecological Economics, Development Economics, Macroeconomic Development, Strong Sustainability, De-Growth.

JEL Classification: O11, O44, Q01, Q56, Q57.

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