**Concern about overpopulation is a red herring; consumption's the problem**

Population stability or decline is not an environmental panacea if it is accompanied by continued growth in consumption



More than half the world's population now lives in countries where the fertility rate – the average number of babies born per woman – is below the replacement level (around 2.1). This seems good news for anyone concerned about the environment. A finite planet obviously cannot sustain limitless population growth, and many environmentalists make the case that even the current population, 7.2 billion, exceeds the planet's ecological carrying capacity. If birth rates continue to fall, we might realise the UN's "low" projection of a population peak of around 8.3 billion mid-century, declining back to today's population by 2100.

For economists, however, and for the public officials they inform, the aging and decline of the population presents not a boon but a threat. When the fertility rate falls below replacement level, the older generation outnumbers the newer. That means fewer workers supporting more retirees, falling income-tax revenues and reduced economic growth. Accordingly, many countries including Singapore, France, Austria, Chile and South Korea, are offering people financial incentives to have children. So here, as in many other arenas, we seem to face a contradiction between economic and ecological health. But a closer look at population and economic growth reveals there is more to the story, with problems extending right to the basic structure of our financial system.

To see how, let's ask a naive question: already in many countries with slowing population growth, youth unemployment is at record levels. Why then do we think we need to add even more youth to the workforce? Why can't we allow economic demand to shift from young to old, rather than increasing overall production and consumption by adding more people?

The short answer is that our financial system requires growth in order to function. In a system in which money is created as interest-bearing debt, the absence of growth means fewer lending opportunities. Without new money entering the economy, existing debts are harder to repay. Bankruptcies increase, wealth concentrates in fewer hands, and pressure grows to financialise assets, liquidate natural wealth, cut social services and essentially direct all resources toward the servicing of debt. While this is going on, technological improvements in productivity lead to lower employment, which, coupled with rising indebtedness, cut demand and reduce lending opportunities even more. In other words, the growth imperative comes not because human needs are greater than in the past, but because the financial system requires growth. Economic growth is much easier to achieve when the population is growing as well. In its absence, consumption per capita must grow instead. Indeed, certain countries uphold economic growth as a way to deal with the problem of aging population. This should sober up our celebration of the drop in fertility rates, if they accompany resource-intensive development. And apparently they do: the world over, fertility rates are inversely correlated with industrialisation.

If everyone on Earth lived the lifestyle of a traditional Indian villager, it is arguable that even 12 billion would be a sustainable world population. If everyone lives like an upper-middle-class North American (a status to which much of the world seems to aspire), then even two billion is unsustainable. Population decline is welcome news, but it needs to be considered in a larger context. [Population](http://www.theguardian.com/world/population) stability or decline is not an environmental panacea if it is accompanied by continued growth in consumption.

This means that overpopulation is a red herring. Of course, at some point, preferably soon, population growth must end, but overpopulation is a diversion from more fundamental issues. Lurking behind the spectre of population growth lies a more challenging problem: economic growth. Population control doesn't rock the boat very much; it doesn't fundamentally alter the distribution of wealth and power today. Indeed, it plays into a colonialistic narrative that the fecund masses of the global south are to blame for the environmental crisis, and suggests that the solution is more development (with its population-limiting effects). In comparison, it is far more disruptive to the present world order to challenge economic growth, globalisation, and development.

We must examine all aspects, economic and ideological, of our growth-dependent system, starting with the rhetoric of development that upholds an industrial, US/European-style society as the pinnacle of human wellbeing, and extending to the monetary system that drives globalisation and the growth of consumption. Whether in terms of population or consumption, sustainability cannot mean sustainable growth.