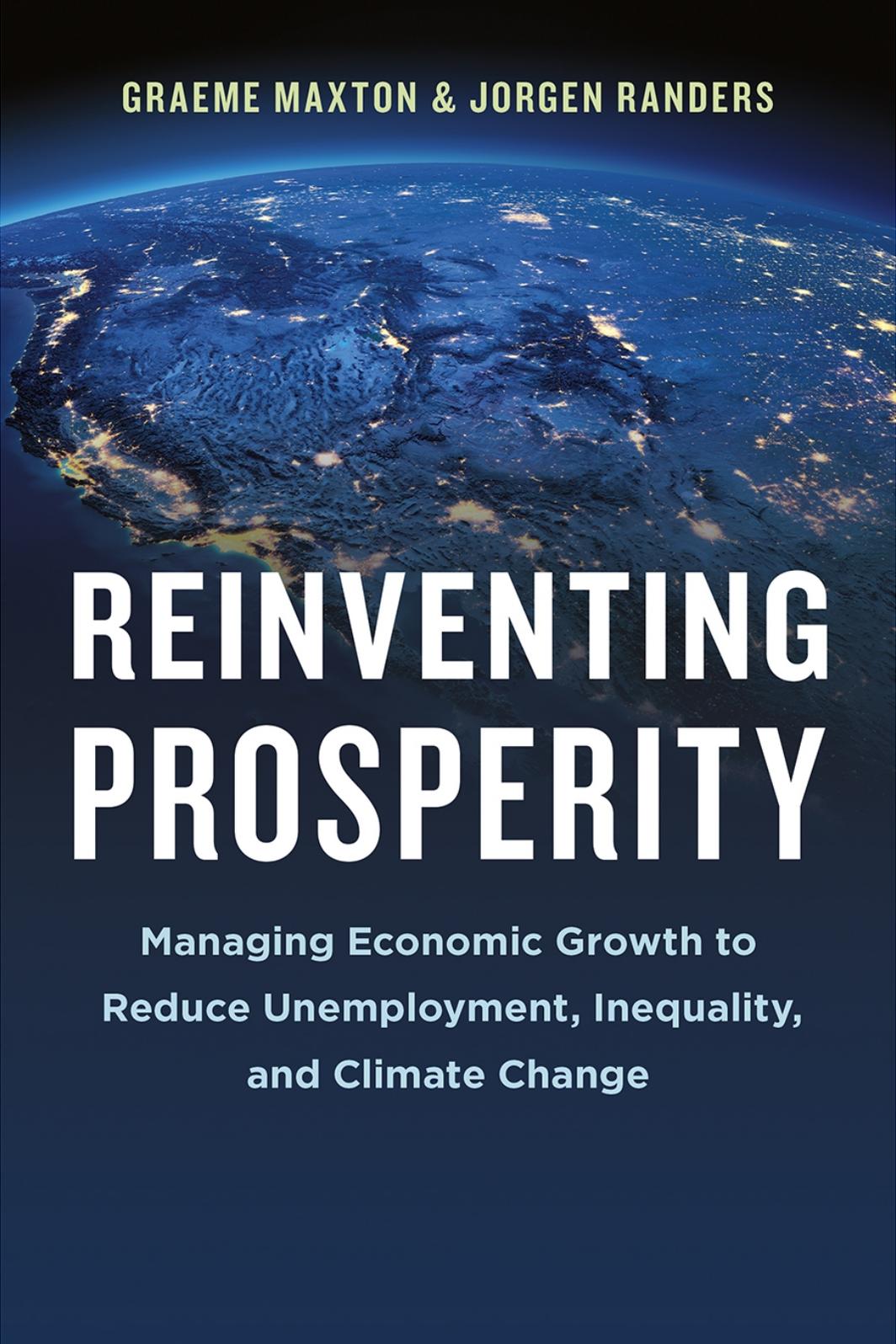
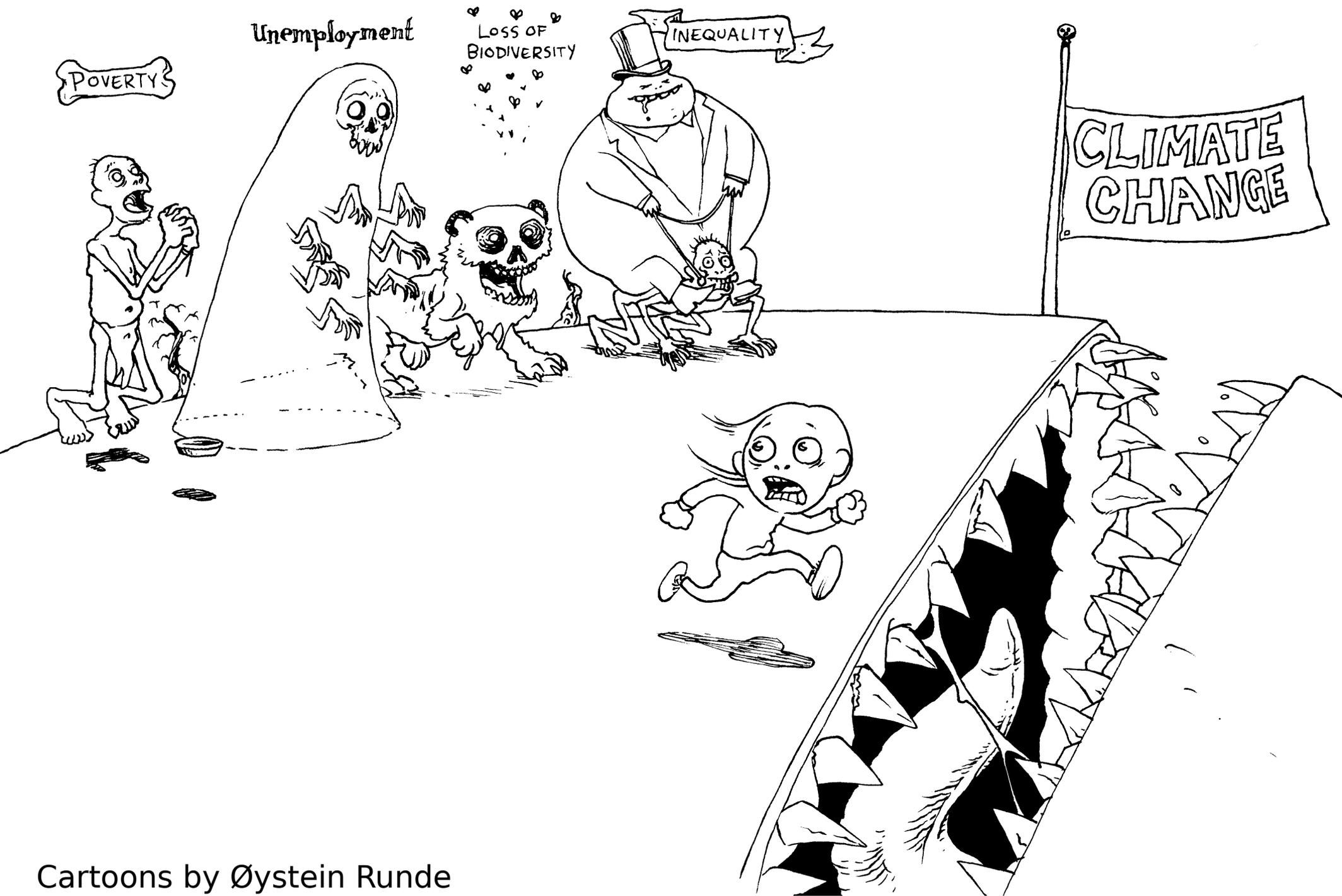


**GRAEME MAXTON & JORGEN RANDERS**

A satellite view of Earth at night, showing the Western Hemisphere. The landmasses are illuminated by city lights, creating a glowing pattern against the dark blue of the oceans and the blackness of space. The curvature of the Earth is visible at the top of the frame.

# **REINVENTING PROSPERITY**

**Managing Economic Growth to  
Reduce Unemployment, Inequality,  
and Climate Change**



Cartoons by Øystein Runde

## **SYNOPSIS**

The traditional solution to rising unemployment and inequality has been economic growth. But economic growth is not having the beneficial impact it once did. Despite 30 years of strong economic growth, unemployment remains high and inequalities have widened. Economic development has also created an additional problem, climate change. The coming wave of robotization will further increase unemployment and inequality.

The current economic system is no longer able to address these problems. Maxton and Randers offer a fix - 13 ways to slowly shift the entire economic system onto a better and more sustainable path. Their proposals reduce unemployment and inequality, slow the pace of climate change dramatically and boost average well-being.

The 13 proposals have been carefully selected to provide an immediate advantage to the majority of people, to ensure they are politically feasible. Their ideas are not appropriate in the poor world, which still needs conventional economic growth and support from the rich world, especially in energy production. The transition to a healthier economic system will be the epic social battle of the 21st century, and the stakes are far higher than most people know.

# TWO URGENT PROBLEMS IN THE RICH WORLD

Unemployment

Inequality



Two of the most urgent problems facing the modern rich world are persistent unemployment and rising inequalities

## THE TRADITIONAL SOLUTION: ECONOMIC GROWTH



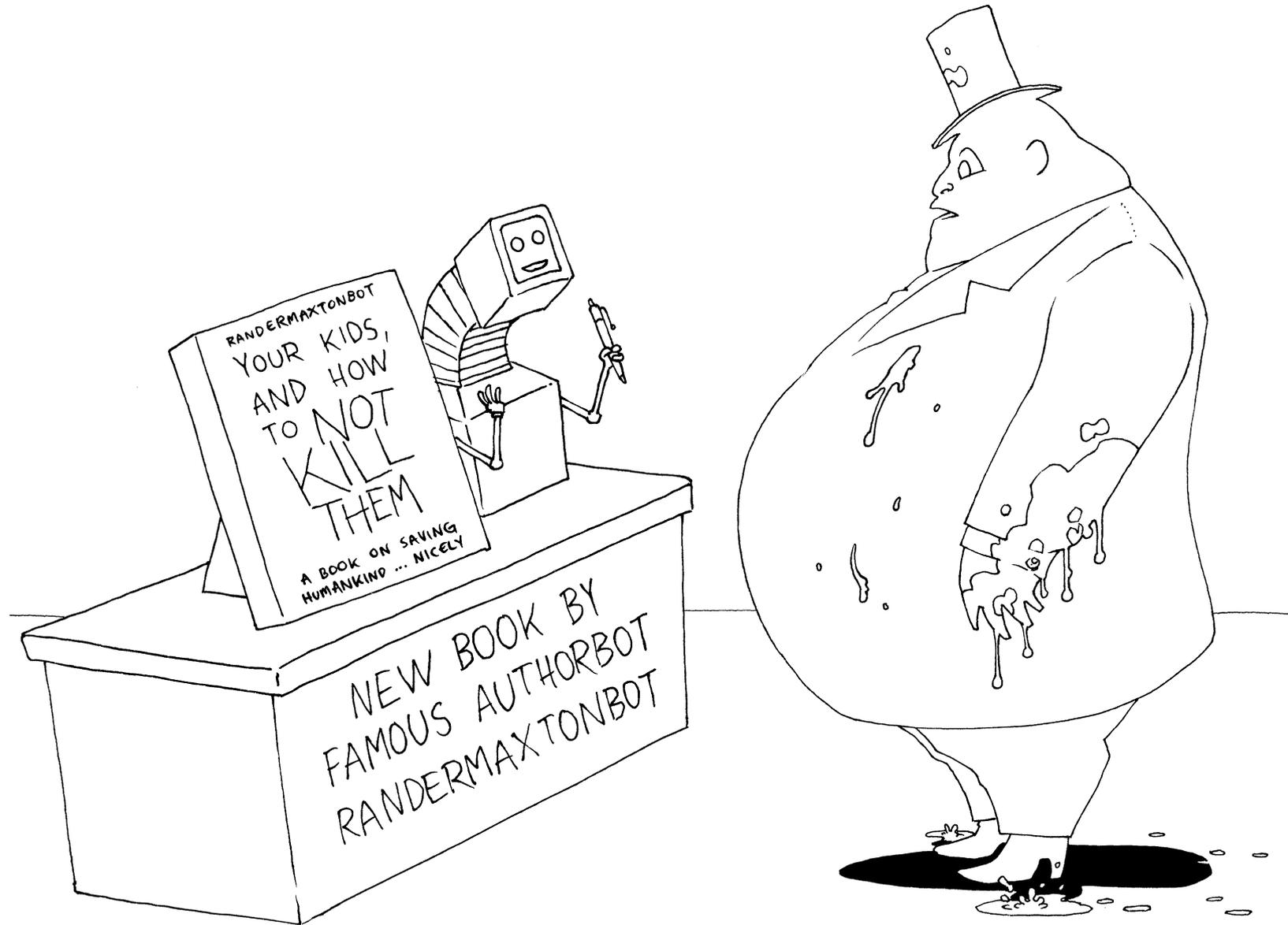
Traditionally, economic growth has been seen as the best way to reduce unemployment and inequality

- CHAPTER 3 -  
**THE OLD APPROACH NO LONGER WORKS**



For many years the pursuit of economic growth has not reduced unemployment It has increased inequality

- CHAPTER 4 -  
**ADVANCING ROBOTIZATION**



Without change, the problems of unemployment and inequality will worsen in the next twenty years. There will also be an unstoppable decline in the rate of conventional economic growth and a wave of robotization in manufacturing and repetitive services.

## OTHER THREATS TO THE CURRENT ECONOMIC SYSTEM



Aging societies, less accessible resources, and climate change will add to the current challenges.

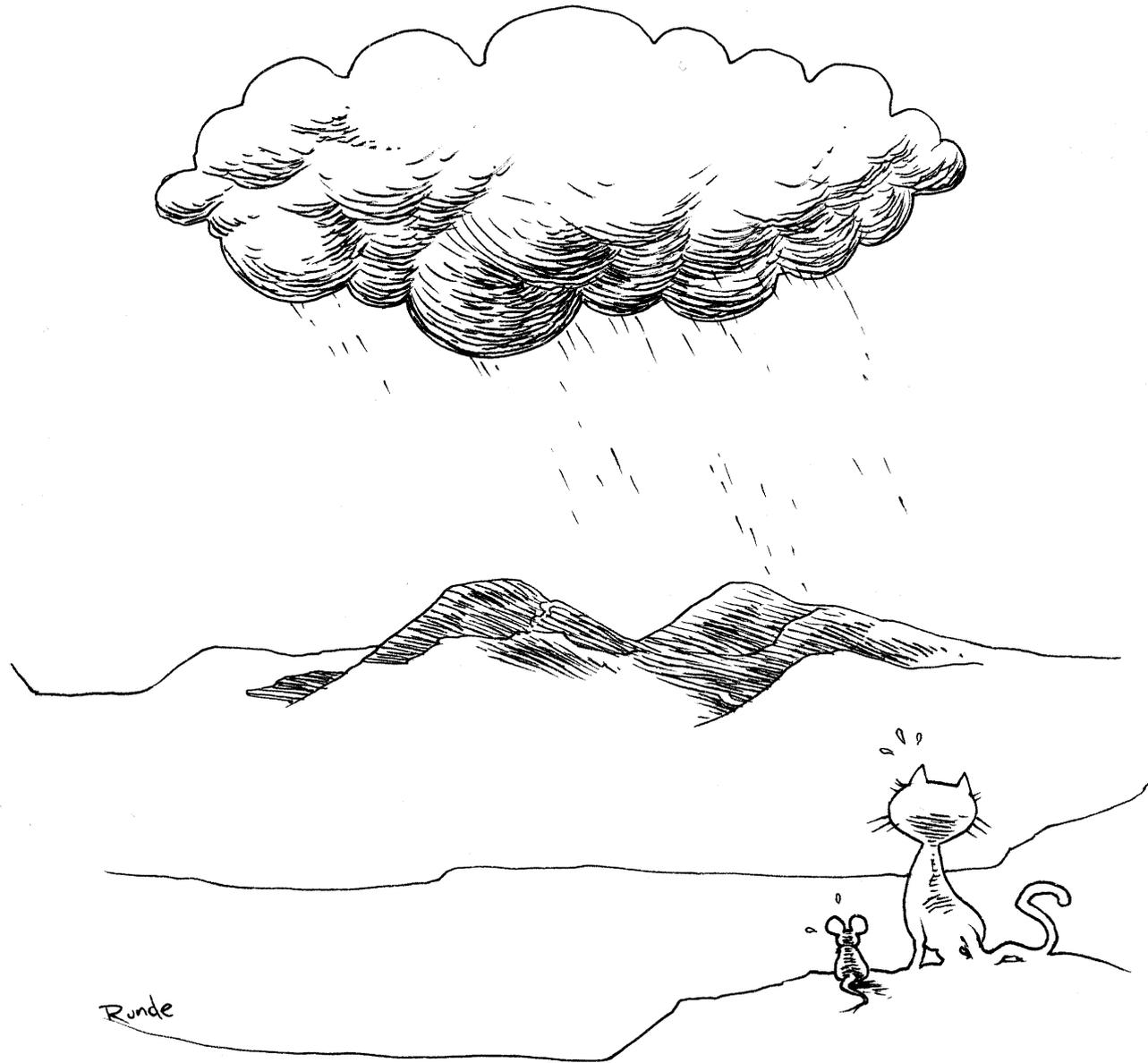
## DEAD END: THE FAILURE OF EXTREME FREE-MARKET THINKING



*The tools are wrong*

If rich nations continue to fight unemployment and inequality with traditional economic tools, not only will these problems increase, but environmental problems will worsen.

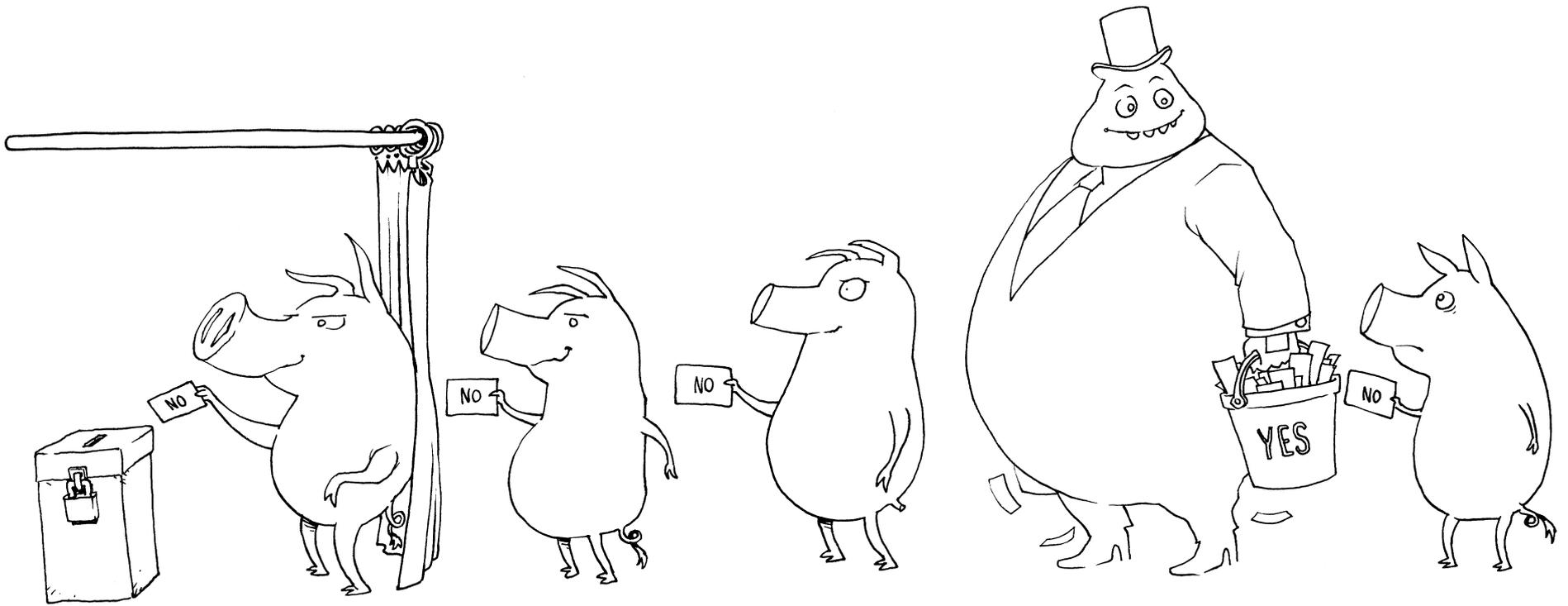
- CHAPTER 7 -  
**THE STORMS AHEAD**



Any new approach to economic development must work under the unsettling climatic conditions that will exist in the future.

- CHAPTER 8 -  
**A NEW APPROACH**

VOTE NO  
TO BACON



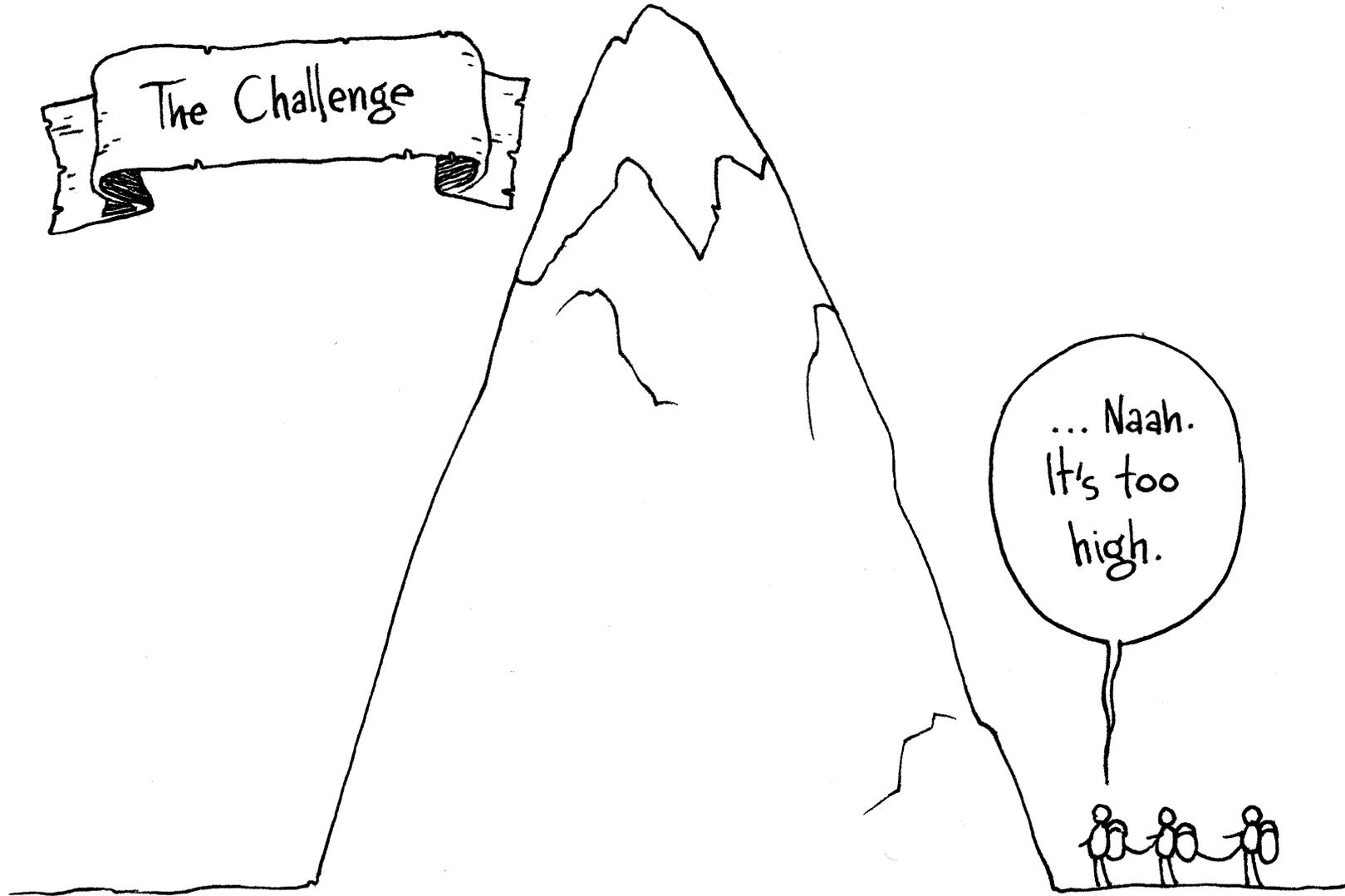
The rich world needs to take a different approach to economic thinking

# THIRTEEN POLITICALLY FEASIBLE PROPOSALS TO REDUCE UNEMPLOYMENT, INEQUALITY, AND CLIMATE CHANGE



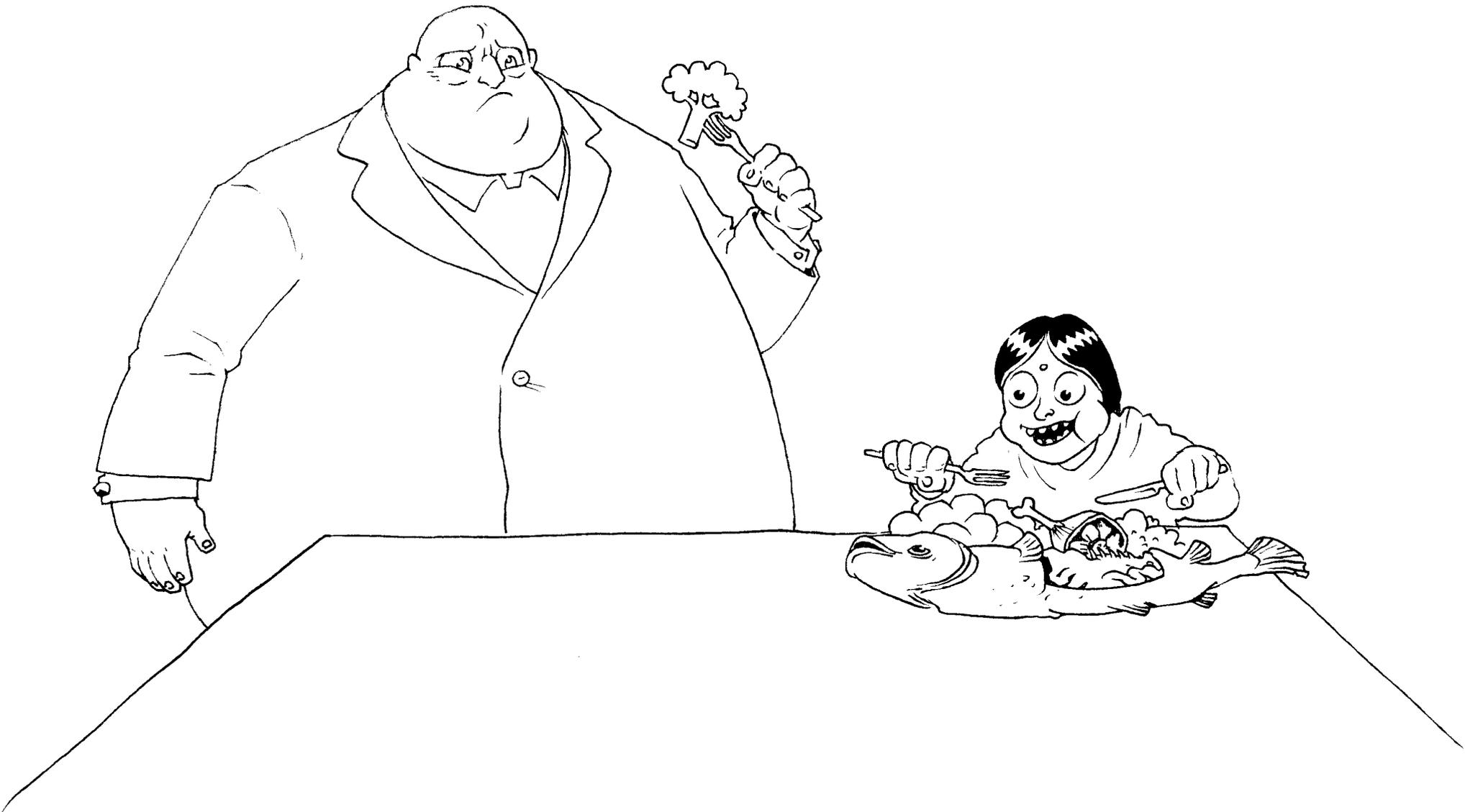
A more realistic way to create a better world is to redistribute income and work to reduce the collective ecological footprint. There will be opposition from business and finance, but if governments introduce policies that provide short-term benefits for the majority, more people will gain than lose.

- CHAPTER 10 -  
**LET THE MAJORITY DECIDE**



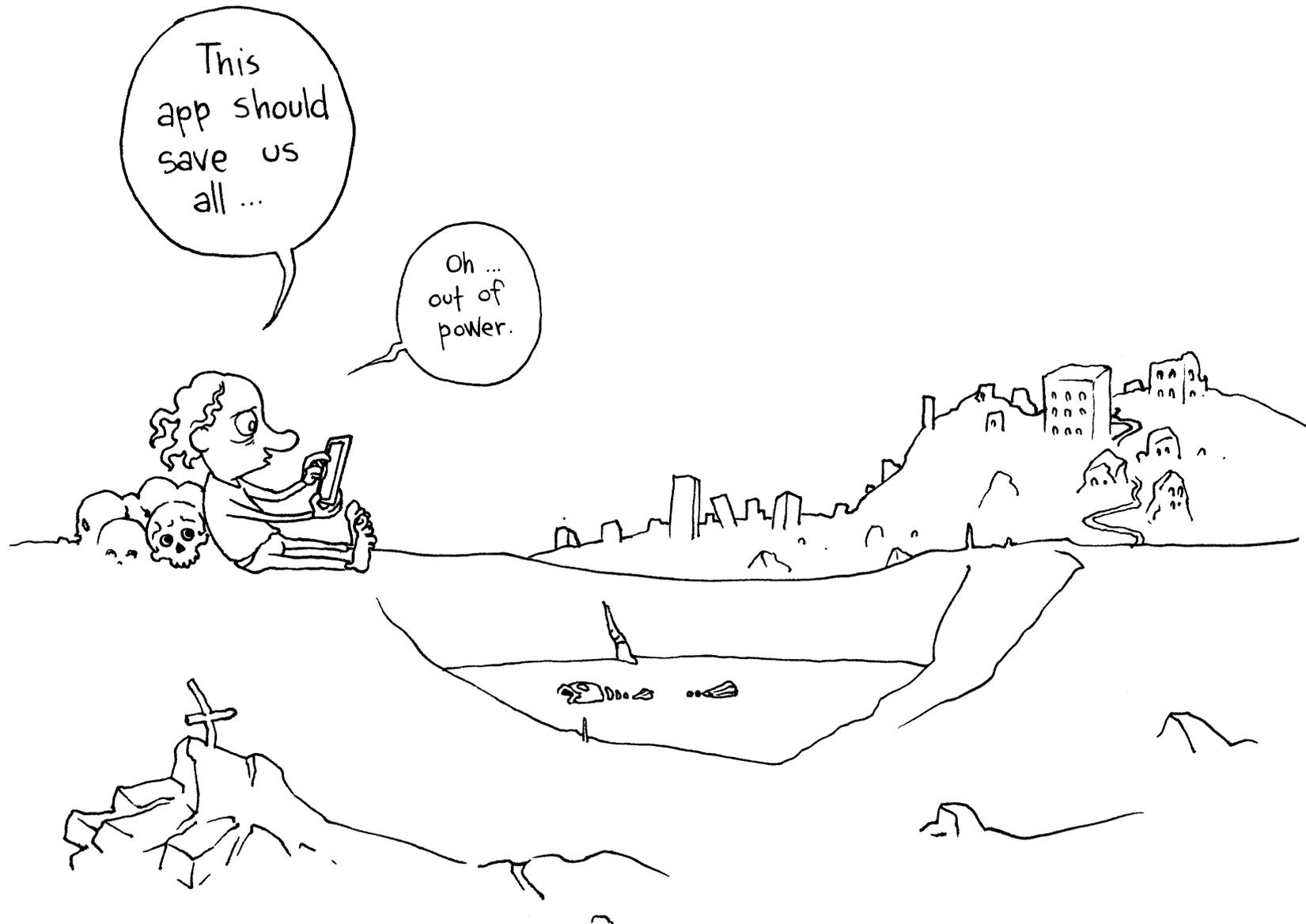
In some allegedly democratic nations, the majority view does not prevail. This will need to change if these societies are to solve the problems of unemployment and inequality.

- CHAPTER 11 -  
**LET THE POOR WORLD GROW**



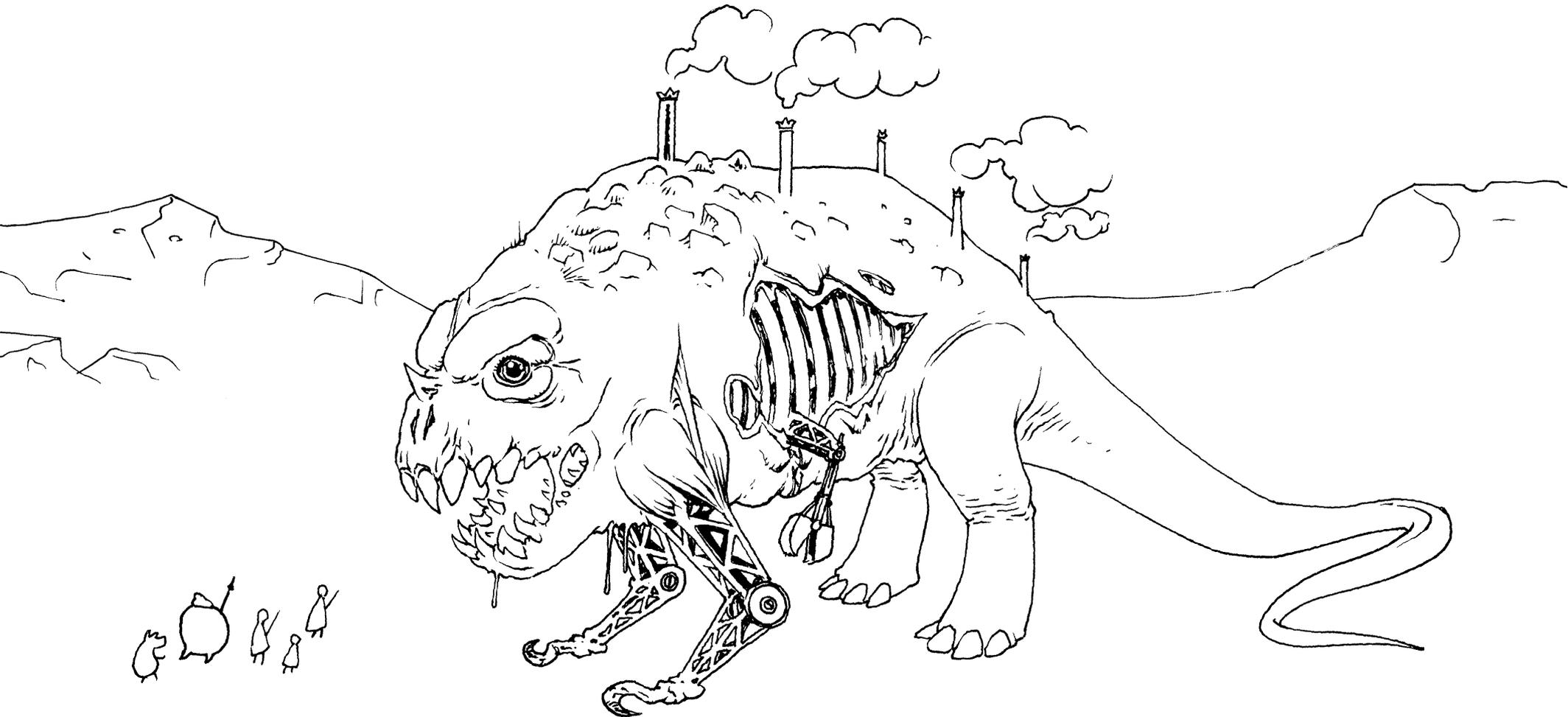
Our proposed approach to economic thinking will not be needed in most of the developing world, where conventional economic growth is still desirable. Rather, poor countries should be helped to leapfrog the developed world.

- CHAPTER 12 -  
**SAVING THE WORLD**



Our approach will increase average well-being, slow resource destruction, cut greenhouse gas emissions, and reduce environmental damage.

- CHAPTER 13 -  
**THE EPIC BATTLE TO COME**



The transition from a moribund economic system to a sustainable one will be the epic social, political, and environmental battle of the twenty-first century, and the stakes are high.

# **THIRTEEN PROPOSALS TO REDUCE UNEMPLOYMENT, INEQUALITY, AND CLIMATE CHANGE**

1. Shorten the length of the work year to give everyone more leisure time.
2. Raise the retirement age to help the elderly provide for themselves for as long as they want.
3. Redefine “paid work” to cover those who care for others at home.
4. Increase unemployment benefits to maintain demand during the transition.
5. Increase the taxation of corporations and the rich to redistribute profits, especially from robotization.
6. Expand the use of green stimulus packages by printing money or raising taxes to help governments respond to climate change and the need for redistribution.
7. Tax fossil energy and return the proceeds in equal amounts to all citizens to make low-carbon energy more competitive.
8. Shift taxes from employment to emissions and resource use to reduce the ecological footprint, protect jobs, and cut raw materials use.
9. Increase death taxes to reduce inequality and philanthropy while boosting government income.
10. Encourage unionization to boost incomes and reduce exploitation.
11. Restrict trade where necessary to protect jobs, improve well-being, and help the environment.
12. Encourage smaller families to reduce the pressure of humanity on the planet.
13. Introduce a guaranteed livable income for those who need it most and give everyone peace of mind.

## PRAISE

“The world faces a number of monumental challenges, ranging from persistent inequality and the ageing of population to climate change and the rise of the robot. In this innovative, accessible, and persuasive book, Maxton and Randers show that we don’t need revolutionary changes to meet these challenges. They tell us how big changes can be—indeed, can only be—achieved through a set of reforms that are moderate enough to be politically feasible in the short run. It is an essential guide to those who want to change the world for the better—and for certain.”

**Ha-Joon Chang**, Faculty of Economics, University of Cambridge, author of *23 Things They Don’t Tell You About Capitalism and Economics: The User’s Guide*

“A fascinating, data-rich look at some of the most fundamental questions our species has ever faced—and a striking argument for maturity over endless growth.”

**Bill McKibben**, author of *Deep Economy*

“Do you want a cogent and accessible explanation of why our par-amount policy goal of GDP growth is increasing unemployment, inequality, and environmental destruction—while reducing wel-fare? Then read this informative book for both answers and better policies!”

**Herman Daly**, Emeritus Professor, University of Maryland

“The problems society faces to achieve a sustainable and desirable future are well known, but solutions seem impossible. Maxton and Randers describe 13 politically feasible proposals that can actually solve these problems. A must-read for anyone who wants to create a better world.”

**Prof. Robert Costanza**, VC’s Chair in Public Policy, Crawford School of Public Policy, The Australian National University

“This book has the power to induce policy changes that are impera-tive for the creation of an equitable, peaceful and sustainable future for human society.”

**Rajendra K. Pachauri**, past-Chair International Panel of Climate Change (IPCC), Executive Vice Chairman, The Energy and Resources Institute (TERI)

“*Reinventing Prosperity*, appearing nearly 45 years after *Limits to Growth*, is another wake-up call of historic significance. It rein-forces the important messages of *Laudato Si’*, the UN Sustainable Development Goals, and the Paris Climate Agreement. I endorse these proposals for another economy, which is both more fair and more sustainable.”

**Ruud Lubbers**, co-founder of the Earth Charter

## PRAISE

“Maxton and Rander’s groundbreaking book gets us 13 steps closer to the carbon-free economy by 2050.”  
**Mathis Wackernagel, Ph.D.**, Founder and CEO, Global Footprint Network

“Maxton and Randers present a new path towards sustainability by focusing on a set of measures which should be more readily accept-able, because they provide short term advantages to the majority of people. Reinventing Prosperity is a compelling book, full of new insights and iconoclastic ideas.”  
**Roberto Peccei**, Vice Chancellor for Research Emeritus, UCLA

“Maxton and Randers bring a rare combination of insight, prag-matism and a global perspective to the challenge of managing economies in the 21st century. Their thirteen policy proposals should be taken seriously by anyone who believes that thoughtful, informed, democratic change offers the best chance for a prosper-ous future.”  
**Peter A. Victor PhD.** FRSC, author of *Managing without Growth: Slower by Design, not Disaster*

“An important contribution to the global debate about growth, equality, climate change, and the path to a viable human future.”  
**David Korten**, author, *Change the Story, Change the Future: A Living Economy for a Living Earth and When Corporations Rule the World*

“A well-argued thesis. *Reinventing Prosperity* is a must-read primer for action.”  
**Sheila Murray**, Founding Vice-Principal, Canadian Centre for Man-agement Development

“Maxton and Randers make 13 feasible proposals which, if imple-mented, would transform the future of humanity. This book is not just a “must read,” its solutions are a “must do”!”  
**Stewart Wallis**, Executive Director, New Economics Foundation 2003-2015

“A bold analysis smashing the doctrines of mainstream economics. Built on the analysis, the authors offer thirteen proposals to reduce unemployment, inequality, and climate change. Wonderful!”  
**Ernst von Weizsäcker**, Co-President of the Club of Rome

“Leaving conventional economics behind, *Reinventing Prosperity* charts a careful course between the Scylla of economic collapse and the Charybdis of climate catastrophe. It is an urgent call to action!”  
**Peter G. Brown**, Economics for the Anthropocene Project, McGill University

## THE AUTHORS



Graeme Maxton is the Secretary General of the Club of Rome and a former regional director of the Economist Intelligence Unit in Asia. He is the author of *The End of Progress-How Modern Economics Has Failed Us*, which was nominated for the Financial Times and Goldman Sachs Business Book of the Year Award.



Jorgen Randers is a professor of climate strategy at the Norwegian Business School, where he was president from 1981 until 1989. He is also a former Deputy Director General of WWF International and a co-author of the bestselling *Limits to Growth*.

## THE CARTOONIST

Øystein Runde is an award-winning Norwegian cartoonist. His novel about the Viking Sleggja is currently being turned into a movie.