

DEFINING SUSTAINABILITY

Sustainability is a word that is used in almost all discussions and policy pronouncements to do with the environment. What does it mean and what is the origin of the concept?

Sustainability is a principle or an aspirational guide – it is not a set of rules. It is about good stewardship. While the concept of sustainability has much in common with what economists have long termed the social discount rate, sustainable development or sustainability came to prominence in 1987 as a result of the work of the United Nations World Commission on Environment and Development. The Commission was chaired by then Prime Minister Brundtland of Norway. The report of the Brundtland Commission is contained in a book titled *Our Common Future*. At page 43 of *Our Common Future* we find the definition of sustainability that is now generally accepted:

Sustainable development is development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.

As can be seen, the definition directs that today's decisions with respect to man's interaction with the environment must take into account the impact of those decisions on future generations and the ability of future generations to enjoy a healthy and robust environment.

Economic development is very much a part of sustainability provided that responsible stewardship is taken into account. A strategy to achieve sustainability that has emerged in the quarter century since *Our Common Future* is the avoidance of waste. The best use of finite resources means efficient use of resources. That concept ranges from promoting recycling to avoiding unnecessary or duplicative regulatory processes.

Sustainability is about achieving the appropriate balance. What the appropriate balance looks like, however, remains an issue in play. One of the mechanisms that figures into the mix is the application of the precautionary principle which we address in the note following.