In this paper we argue that our current value-systems contributing to unsustainable social practices and the dominant death-denying culture have a close relationship to each other. The ways society offers to alleviate the anxiety of death are avoidance and distraction especially through consumption. Consumption in this regard aims to raise individual self-esteem and to strengthen the current version of reality. The question we address in this paper is how we can move from this unsustainable cultural pattern to more death-aware and sustainable one. This question is pertinent because experimental evidence shows that a direct confrontation with death often leads to fundamental and long-lasting behavioural and value changes. These changes are in line with those emphasised by ecological economics as the possible basis for sustainable societies. The first section of the paper discusses the social theoretical background of the topic arguing that the emphasis we put on individual, bounded self leads to a heightened sense of death anxiety. The second section discusses on the one hand Terror Management Theory, and on the other the alternative but related Transcendence Management Theory with their different emphasis on ways of coping with death anxiety. The following section provides a theoretical model integrating these two strands of research and interpreting their main conclusions at a social level. This framework is the main contribution of the paper since it not only captures the social dynamics of these different ways of coping but also offers possible ways to move towards a more death-aware and sustainable social arrangement.