THE GLOBAL PREDICAMENT: the way out

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Abstract

Most "green" thought and action fails to grasp that this society involves levels of resource consumption and environmental impact that are far beyond those that can be sustained or spread to all people. Technical advance and reforms within consumer-capitalist society cannot solve the problems; this will be illustrated by reference to greenhouse and energy problems. Although present levels of consumption are grossly unsustainable, the supreme priority is economic growth, i.e. to raise them without limit. In addition a system based on free market principles cannot be just. Rich world affluence would not be possible if wealth was not being transferred from poor countries. The only way out of the alarming global situation is via transition to some kind of Simpler Way, which is unlikely to be taken. Implications for bringing about such a transition will be indicated.

Article

I want to sketch out a perspective on the global scene. It is a very radical interpretation, and most people do not hold it. I think it is very important for people concerned about the state of the planet to consider this perspective when they are thinking about appropriate action.

It is widely understood that we have serious problems, but most people have very little idea of the magnitude of the overshoot, how very far beyond sustainable levels we are. It is far beyond the sorts of levels of resource use that could ever be kept up for any length of time or spread to all people. When this is understood, I believe it is obvious that alarming global problems we have cannot be solved in or by a society that is driven by the pursuit of affluence and growth, by market forces, and by cultural values to do with competition, individualism and consumption. If this case is sound then the only

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way out of the predicament we are in is through a enormously radical transition to what we refer to as The Simpler Way.

Again these are quite radical claims, so let me sketch some of the reasons why I regard the supporting arguments as convincing. (For the detail see The Simpler Way website, http://www.arts.unsw.edu.au/tsw/).

We will have nine billion people on the planet within a few decades, and if they were all going to live as affluently as you and I do now, then total consumption rate of most resources would be about eight times as great as it is now. We already have serious problems of scarcity, including a food problem and scarcity of various minerals. Fisheries are running down, there is a phosphorous problem coming up. Most people now realise we are facing the peaking of oil supply in the next few decades.

Measures of this kind can be put together to provide a "Footprint" index. The amount of productive land required to sustain the average Australian is 8 hectares. By 2050 the amount of productive land per capita on the planet that will be available will be a mere 0.8 hectares. So we are already living in a style which requires us to use ten times per capita the amount of productive land that will soon be available for everyone. This shows how very far we are beyond levels that are sustainable for all.

One of the clearest indicators is the greenhouse problem. It becoming increasingly clear that we will have to completely eliminate all carbon emissions by the end of the century, and indeed probably before 2050. Geo-sequestration of carbon can't do that. It is only applicable to the stationary resources, such as power stations where it is possible to capture the carbon. It can't be applied to cars for instance. In addition they will only get 80% or 90% of the CO2 out of the gases they can process.

There are a number of other areas in which we find similar arguments, such as to do with minerals, fisheries, forests, soils, water. The basic "limits to growth" analysis indicates that the only way to solve these problems is via a dramatic reduction in the amount of producing and consuming going on. The conventional assumption is that it will be possible to go on living in our affluent consumer ways because technical advance will cut down the resource demands and the environmental impact of

consumption. In my view the overshoot figures given above make that belief extremely implausible.

However the problem is not maintaining the present levels of production and consumption. The problem is coping with the consequences of growth. This society is committed to constantly raising the amount of production and consumption taking place. If we have a 3% growth rate in our economy, then by around 2080 the economy will be churning out eight times as much every year as it does now. If 9 billion people were to rise to the living standards we would have in 2060 given 3% growth, the world economy would be producing 60 times every year as much as it does now. We already have serious problems because we're doing too much producing and consuming. It should be obvious that a sustainable society must have a zero-growth economy.

Amory Lovins, perhaps the best known tech-fix optimist, believes we could achieve a "Factor Four" improvement, meaning that we could double the GDP while halving ecological impact. (Weisacher and Lovins, 1997.) However if we had a 60 fold increase in economic output while we halved the environmental impact, we would have made a Factor 120 reduction in impact per unit of GDP. Thus any faith in technical fix solutions it seems to be swept away when we understand the magnitude of the problems and the overshoot, and the implications of growth.

The main area of where technical fix optimism is found is to do with renewable energy. It is widely assumed that renewable energy will replace the carbon fuels. I think there is a strong case against this assumption. (See Trainer, 2007.) This is not an argument against the desirability of transition to renewable energy. We could live well on these, but not in an energy-intensive consumer society. Very little attention has been given to studying the potential limits to renewable energy. The IPCC and The Final Garnaut report completely ignore these questions. Garnaut assumes we are going to provide seven and a half times as much electricity as we do now. And he simply assumes that geo-sequestration with carbon and renewables will do the job, yet he gives no attention to the possibility that there might be limits.

To summarise so far, there are some very powerful arguments supporting the conclusion that it will not be possible to sustain rich world "living standards", let alone spread them

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to all people. Further, the argument is that <u>we cannot fix</u> this society; we have to shift to a society with some fundamentally different ways, structures, systems and values if we are going to solve the big problems. This is because the problems are being caused by foundational structures in consumer-capitalist society, such as the commitment to limitless economic growth and limitless affluence.

Now there are two lines of fundamental criticism of this society. So far my focus has been on the one to do with sustainability. The other which is possibly even more disturbing, is to do with economic justice. We have a global economic system which enriches a few and deprives billions of people. This is primarily because it is a global economy based on markets. Markets have merits, but if you allow market forces to be the major determinants of what happens then the automatic and inevitable outcome will be that most resources will be allocated to the rich. Markets allocate scarce things to those who can pay most for them. This explains why, for instance, one-third of the world's grain is fed to animals in rich countries while around 850 million people are hungry. It also explains people who live in rich countries consume about 17 times as much oil per capita as half the world's people average. These outcomes are unavoidable if the market is allowed to be the determinant of how things are allocated.

Even more disturbing is the fact that if the market is allowed to be the determinant of development the result will be grossly inappropriate development. If an investor goes into Guatemala, what is he likely to invest in? Beans for hungry peasants? His shareholders would fire him if he did that, because he would not make much profit from it. What he would do is invest in the most profitable ventures, such as export cropping of carnations or soybeans, or setting up a factory to manufacture cosmetics to export to our supermarkets.

Thus if market forces are allowed to determine development the inevitable outcome will be <u>inappropriate</u> development. Appropriate development involves local people applying the resources that are available locally to meeting local needs. Our economic institutions prevent that. Firstly market economic principles ensure that the resources will go into the most profitable projects, not the most needed uses. Secondly the Structural Adjustment Packages of the World Bank and IMF explicitly prohibit the allocation of local resources to local needs. They have to be made available to free market forces,

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which means, made available to those who can bid most for them and make most profit out of them. So in the third world there is a great deal of production, a lot of development, but very little of it is appropriate development. Again the inevitable outcome of such an economic system is enrichment of the rich. It inevitably keeps rich world supermarkets well stocked while it deprives most of the third world's people of a fair share of world resources. Such a system is well-described as a form of plunder. Yet we in rich countries such as Australia cannot live with anything like the level of affluence we have unless this economic injustice takes place. That's why each of us consumes about 100 times as much oil as the average person in Bangladesh.

Rich countries do not just leave the global market system to provide the disproportionate share of world wealth they get. They also go to a great deal of effort to keep poor countries to the policies that suit us, including supplying arms, propping up dictatorial regimes, and direct overt military invasion. Unless such things are done we in rich countries cannot live in the fashion that we do. (For a detailed discussion see Trainer, 2006a.)

Thus my argument is that in this second domain to do with global justice we are again dealing with an overwhelmingly powerful argument that consumer-capitalist society is not acceptable, and cannot be fixed. There are many elements within lour society which are valuable, but the basic mechanisms within the global economy cause many of the most serious global problems.

This general limits to growth perspective is essential if one wishes to understand the many serious global problems. For example we have an environment problem because we're producing and consuming far too much. Do we want peace in the world? Well we are not likely to have it while everyone remains determined to consume more and more without limit. The coming century is likely to be the most conflict-ridden century ever. Do we want to see Third World development? Well if the foregoing arguments are at all valid, conventional development, defined as the Third World living as we in rich countries do, is totally impossible.

I now want to claim that there is a solution. We label it The Simple Way. (For the detail see, Trainer 2006b.) There is a way whereby we could diffuse all these alarming

global problems, and do so quite quickly -- if we wanted to. The mainstream, from official and governmental levels down to the general public, are not interested in this path, because it is to do with simplicity and self-sufficiency, and the mainstream wants affluence and growth.

The first principle of The Simpler Way has to be non-affluent lifestyles. This is not about hardship or deprivation. It is about living with what's sufficient.

The second principle is that there has to be a high level of local economic self sufficiency. The key concept is that of local economies working on local resource inputs to produce for local use via systems which are under local control. The new systems will have to be essentially highly cooperative, although there could be a substantial role for (mostly small) private firms and markets. Most obviously, there must be an almost completely new economy, in which the GDP is a small fraction of what it is today, where there is no growth and where markets are not the drivers of the economy. Finally there hast to be transition to a very different culture, one that is not characterised by individualist, competitive acquisitiveness.

Following are brief notes on some of the elements there might be within a Simpler Way society. There would be mostly local firms and farms, many of them co-ops using those local inputs, an economy that is largely cashless. In other words many items would be produced and distributed within a gift and free economy. For instance there would be neighbourhood commons with fruit trees on community property, and maintained by the community working bees. We would all contribute voluntarily to the community upkeep, maintenance and so on.

Most of us would need to work for money for only two days a week, because in a community of this kind one could live well without having to earn much money in a community of this kind. This would enable mot people to devote most of their time to community activities, arts, crafts, creativity, gardening, home production, etc. (It can be argued that in consumer society the average person works three times too hard.)

Another major characteristic will be the need to practice participatory democracy. This will be crucial if we're going to make local economies work well. That can't be done

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unless we have good citizens, who are keen to discuss and decide how things need to be done in the locality, and who will participate eagerly, and enjoy doing these things. Obviously there is no possibility of coercing people to do these things, or managing them from a central authority. So there would have to be town meetings, committees, and referenda whereby the people who live in a town or suburb work out the best decisions for their area. There would still be state and federal governments, but most everyday governing would take place at the suburban level.

With respect to the actual transition process, it would seem to be clear that there would be no place for a top down revolution, or for force or coercion, We will only get to The Simpler Way if communities come to realise that's the way to go and want to do so.

It hardly needs to be said that these new ways are so foreign to those taken for granted in consumer-capitalist society that there must be little chance that they will be adopted. But if they are, it will have to be through grassroots initiatives and through a local trial and error and learn-as-we-go processes. Small communities will have to work out how to run their own affairs in the ways that suit their ecological and social conditions. State governments might be major contributors to the process, but even then most of the working out land development of new systems will have to be carried out by ordinary people where they live.

The process will be greatly assisted by the coming crises. Not much is likely to change until the shelves in the supermarkets cease to be so well stocked. Then we will be jolted into recognising that we've got to build more local self sufficiency. Some of these steps are being taken, for instance in some areas there are thriving consumer supported agriculture schemes, community gardens and local farmer's markets and so on. Unfortunately most of these initiatives have not been informed by the realisation that the basic systems of this society have to be replaced. That is where we have to come in, working in those local initiatives to develop the necessary radical global consciousness and vision.

Finally, in the last few years we've had the very inspiring emergence of the Transition Towns Movement. Many small towns in Britain have realised with alarm that if oil becomes scarce they will have great difficulties, so they are working to cut their energy dependence and to build local self-reliance. My argument has been that we have no choice but to move to a Simpler Way of some kind. There is no other solution to the global predicament we are in. We have to start building the alternative systems here and now. This is the kind of activity that I believe is the most important task for people concerned about the fate of the planet to take up.

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