The Impact of the Free Market Economy on the Environment

Name

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**Introduction**

The free market has opened up different countries to the global platform allowing countries to effectively make use of their resources to climb up the economic ladder and improve the living standards of their citizens. Nevertheless, the debate of the sustainability of such economic determinism has for a long time raged on. As much as many believe that the capitalist system of governance has placed its tabs on economic development without much regards of the environmental implications, some believe that this system has allowed for increased inventiveness and development of various technologies that have played a major role in protecting the environment against natural degradation. It is beyond doubt that the effect of environmental degradation is evident across the society, with human activity being the leading source of such degradation. This paper is going to review the role of the free market in economic degradation.

**The Law of Entropy**

There is general ignorance of the law of Entropy within the modern-day free-market economics. It is important to understand that then Law of Conservation forms the first and basic law of thermodynamics, which claims that there is constancy in the matter from which energy is generated and the volume of energy that is generated from such matter across the universe (Smith, et al., 2010, p. 89). Contrary to this, the law of Entropy holds that energy flows form the state of being available to the state of being unavailable (Blewitt, 2015, p. 156). As such, considering the Law of Entropy, it is evident that the amount of volume and the resources from which such energy is derived are highly dependent on the level of use of such resources. The free market economy has allowed for increased industrialization and thus exploitation of resources within the environment with the view of increasing productivity and profit. The champions of the free market economy have established an impression that the energy that is available within the environment is infinite and hence can be exploited at any rate to reap the related benefits.

Ecological scientists have held that the increased exploitation of natural resources is leading to the depletion of the resources, an aspect that spells a disaster in making (Oyevaar, et al., 2016, p. 139). It is important to note that most of the natural resources and sources of energy such as fossil fuel and coal take decades and even centuries to form. As such, an imbalance between their rate of exploitation for economic benefits and the rate of formation is a clear indication that they are bound to be depleted, an aspect that will have aggravating long-term implications for both the economy and the environment in the future. To support their stance, supporters of the free market economy employ the Economic Theory, which suggests that there is no point that human activity will lead to complete depletion of resources from the environment (Smith, et al., 2010, p. 182). It is argued that there is a high increase in price before things can get to that extent where the resources are depleted. This simply means that the economic system has been established in such a way that allows focus to be shifted from an almost depleted resource to the next in view of sustaining economic growth. The Law of Entropy establishes that exploitation of resources from the environment and energy is not completely sustainable (Oyevaar, et al., 2016, p. 61). With the issue of sustainability given little thought, it is less likely that the resource deposits will remain standing for long.

**Commitment to affluence**

The free market economy has been labeled with hostility to change in terms of lifestyle and to fostering the achievement of realism in terms of living standards (Woods, 2010, p. 19). It is without doubt that not all the nations across the world can live like the developed countries, considering the level at which the developed countries are currently consuming the environment. The cost to the environment is too high and the resources are very limited. The capitalist system has established a competitive environment in terms of development, such that the developing countries are aiming at attaining the same economic status as the strong economies such as the United States (US) (Sowman & Wynberg, 2014, p. 35). For such a status to be achieved, the capitalist economy provides for only one approach, which involves intensified exploitation of the available resources and increasing income from such resources that can be later channeled into developmental projects (Christoff & Eckersley, 2013, p. 101). This is an aspect that has already produced devastating effects to the economy and is bound to lead to more grave repercussions.

**Resistance to cooperation**

As earlier noted the modern-day free-market economy has established an environment, and set all the conditions, for human competition as compared to human cooperation. Supporters of the free-market economy argue that human competition, as capitalism, has been effective in promoting production of wealth as compared to socialism approaches, which are defined by human cooperation (Newell, 2012, p. 245). Nevertheless, it is important to note that this process of wealth production has been a success at the expense of the environment. This could be boldly illustrated using the commons, which arte environmental elements that are not under the ownership of anyone, such as watersheds, atmosphere, and oceans, among others. The increased competition among nations for this resources has led to their destruction, an aspect that poses a great risk to their future (Klein, 2014, p. 112).

As such, the free-market economy has been established in a way that it appears as a form of economic Darwinism, in which survival is meant for only the strong (Newell & Roberts, 2016, p. 95). It is key to acknowledge that the current free market economy highly flourishes with the practice of hedonism, hoarding, and haste. Consequently, the approach embraced by this economy towards the various environmental problems that are faced around the globe is controlled by the affluent and comfortable members of the global society. Lastly, the free-market economy promotes the popular belief that individual have absolute rights to the ownership of private property (Kates, 2011, p. 14). As such, most end up using their privately owned resources as they wish, without considering the long-term effect of such usage. It is important to note that ownership of property is not absolute as much as the effects of one’s activities with regards to their property can be shifted from one party to the next.

**Conclusion**

It is evident that the free-market economy has more detrimental effects to the environment as compared to the economic benefits that are reaped from the involved transactions. Contrary to the popular belief, environmental resources are prone to depletion and the environment is thus subject to degradation if enough measures are not put in place to deal with the extreme nature of the capitalist economy. Environmental sustainability is important in ensuring that the economic benefits that countries get from the environment are sustainable. As such, governments have a major role to play in ensuring that there is a proper balance between the extent to which the environment is exploited and the level to which efforts towards environmental sustainability are upheld.

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