



Book The Bridge at the Edge of the World

Capitalism, the Environment, and Crossing from Crisis to Sustainability

James Gustave Speth

Yale UP, 2008

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Recommendation

An Ivy League dean trained as a lawyer, James Gustave Speth lays out evidence to show that life on this planet is being pushed to an end. Marshalling sobering facts, he illustrates how humankind has taxed the Earth's resources beyond its capacity to regenerate. By creating a culture that worships consumption, capitalism has combined with political self-interest and misguided policies to hasten the environment's demise. An international community of scientists has provided staggering proof of global warming, yet U.S. political leaders have denied the problem and delayed action. Speth worked to protect the environment within the bureaucracy's sanctioned processes for years, but he now concludes that the environmental movement launched in the 1970s is a failure. He urges citizens and leaders to readjust their priorities. He also advocates public policies that provide financial incentives for sustainable practices, and says governments should hold corporations accountable for the true environmental costs of their products. *BooksInShort* recommends this book to readers who are interested in economics and social trends, and who want their great-grandchildren to live here – on this planet.

Take-Aways

- The planet's natural resources are finite.
- The exploding human population has overburdened these resources.
- Evidence of environmental degradation is pervasive. Humans are jeopardizing their own supplies of food and water.
- Industrialized countries are mostly to blame for climate warming, yet developing nations are more susceptible to its impact.
- Scientists have clear proof that human activity is raising the planet's temperature.
- With a few exceptions, the environmental protection movement born in the 1970s has not succeeded.
- Political interests, government subsidies and capitalism's growth fervor have put the world on a perilous, unsustainable path.
- Environmental economics calculates the true cost of sustainable goods.
- Only urgent, transformative action can avert the worst-case scenarios.
- Government must set incentives for beneficial practices and penalize polluters.

Summary

“System Failure: Looking into the Abyss”

An environmental timeline from 1750 through 2000 would display the stark history of how humans have affected the Earth. During this 250-year period, the world's population increased six-fold with a more than corresponding rise in the use of water, fuel and fertilizer. Despite humankind's material wealth, nature's bounty has been

staggeringly harmed, from a dramatic loss of rain forests and ocean fisheries, to an increase in global temperatures. These snowballing trends point to the eventual end of human life.

“We are not running out of economically relevant natural resources; we are running out of environment.”

Today’s situation is not a surprise to those who have been campaigning on behalf of the environment for many decades. The first Earth Day in 1970 focused on an array of abuses, such as “strip mining; clear-cutting; dam building...nuclear power; loss of wetlands, farmland, and natural areas; massive highway building programs; urban sprawl; destructive mining and grazing practices; toxic dumps and pesticides; and so on.” Despite some progress, local, regional and national environments have continued to deteriorate substantially, aggravated by the “greenhouse effect” and other far-reaching global symptoms that became evident around the year 2000.

“The planet cannot sustain capitalism as we know it.”

The warming of the planet is the single most serious threat to life today. Human actions have shifted the Earth’s chemistry and released massive quantities of heat-trapping gases, such as carbon dioxide and methane. These hurtful actions include using petroleum, coal and natural gas without restraint, razing forests and paving over fertile land. With all this, today’s climate is considerably warmer than it otherwise would be.

“To reduce environmental impacts faster than the economy is growing requires rapid technological change.”

An international cooperative of scientists, called the Intergovernmental Panel on Climate Change (IPCC), has been monitoring and analyzing the problem. Its 2007 report documents rising temperatures, shrinking glaciers, melting icebergs, higher sea levels, and increasing drought and flooding. Leaving the warming trend unchecked will mean less fresh water, more extinctions of animals that cannot adapt to changed habitats, extensive damage to sea-level regions, increased air pollution and corresponding illnesses, the erasure of the planet’s polar regions, and more disease, famine and death.

“The big gorilla in the room – the main force driving corporate greening in the past and in the future – is government action, actual and anticipated, domestic and foreign.”

Industrialized nations are most responsible for climate warming, yet developing nations are the most vulnerable to its effects. NASA scientist and early environmental advocate James Hansen believes the planet is fast approaching the point of no return. To gauge the total greenhouse gases in the atmosphere, scientists measure parts per million of “carbon dioxide equivalent” (CO₂e). They report that to protect life, CO₂e levels must settle at about 450 parts per million (ppm), just 20 ppm higher than the current, rapidly rising levels. Achieving this stability will require an 80% cut in emissions. The U.S. could achieve that challenging goal with an aggressive campaign of vastly better energy efficiency, including sequestering carbon in the earth, abandoning fossil fuels for renewable options, and improved farming and forestry practices.

“Despite all the conferences and negotiations, the international community has not laid the foundation for rapid and effective action.”

Globally, wildlife is suffering as more land gets pulled into agriculture or grazing. Agriculture guzzles almost 75% of the planet’s fresh water. Overfishing has decimated three quarters of formerly healthy ocean fisheries. A United Nations survey found “a consistent decline in average species abundance of about 40% between 1970 and 2000”; the pace has not decreased. Ozone layer depletion, acid rain and heavy use of fertilizers are making matters worse. The atmosphere also is widely contaminated with neurotoxins, such as mercury from industrial emissions, hormone-disrupting poisons and cancer-causing chemicals, such as pesticides and solvents.

“The landscape is littered with worthy but badly neglected proposals for government action on the environment.”

Scientists have trumpeted their concern about this perilous trajectory for years, to little avail. The Global Footprint Network calculates that humanity now removes at least 25% more resources from the planet than it can feasibly replenish. Some people have resigned themselves to disaster, others deny the problem. Pragmatic “solutionists” offer a variety of – more or less appealing – remedies: building wealthy enclaves, trusting in free-market economies, policy reformation and back-to-nature communities. At this point, the old ways haven’t succeeded, so it’s time to write a new chapter.

“Modern Capitalism: Out of Control”

Economists hail growth as the key to prosperity. Capitalism is so widely embraced that some liken it to a religion. Yet ruthless growth and exponential economic expansion have a price. The economy gobbles natural resources, pollutes the air and water, and cares little for sustainability.

“Environmental economics is the modern-day economist’s answer to the failure of the market to care for the environment.”

One leading economist, Wallace Oates, believes the market has failed environmentally, because product prices do not reflect the true value of the water, air and resources they consume. The calculus of capitalism does not factor in the needs of future generations. Polluters and exploiters don’t pay their fair share, and government subsidies encourage poor practices. New technology has led to more efficient product design and reduced energy demands, but total consumption continues to climb. Modern companies try to sidestep the environmental costs of their products – searching for “subsidies, tax breaks and regulatory loopholes.” Corporations and stockholders benefit, while the environment sickens. Capitalism is at odds with sustainability and prevailing government practices reinforce the problem. Globalization and international trade have spread counterproductive incentives and environmental degradation planet-wide. How can society change business-as-usual? That pivotal question demands immediate, serious attention.

“The Limits of Today’s Environmentalism”

Most environmentalists work within the system, promoting regulation and sustainable business practices. They assume today’s lifestyle can be maintained and economic growth fostered while achieving satisfactory environmental compromises. They work toward incremental improvements, but they don’t treat the underlying systemic ills.

“Global environmental problems have gone from bad to worse, governments are not yet prepared to deal with them, and at present, many

governments...lack the leadership to get prepared.”

The past 40 years of environmentalism have achieved few successes. For all the meetings on climate, biodiversity, desertification and fisheries, none of these resources are yet adequately protected. Treaties are nonbinding and lack quantitative targets, timelines or enforcement. The process is innately flawed, because government remains heavily influenced by industry. Despite the anti-pollution laws the U.S. has passed over the past decades, its environmental gains are few. Perversely, the U.S. spends billions on subsidies that foster unsustainable practices. Federal law and institutions contribute to the problem. Without fixing such underlying issues, progress is impossible. For example, “despite a federal policy of no net loss of wetlands, tidal marshes, swamps and other wetlands continue to disappear at a rate of about a 100,000 acres a year.” The bottom line: Status quo environmentalism is a disappointing failure.

Casting Blame

The media has contributed to the environment’s decline. Reporters have not consistently covered key issues. Their “formulaic” insistence on giving equal time to opposing viewpoints ends up giving credence to bogus claims. In addition, profit-hungry conglomerates are buying newspapers and TV stations, which shifts newsroom priorities.

“Water could be conserved and used more efficiently if it were sold at its full cost...but both politicians and farmers have a stake in keeping water prices low.”

Some pundits say environmental organizations are gullible because they trusted the federal government. Others note the rise of a right-wing, “enormously successful anti-environmental disinformation industry.” Unfortunately, even if these problems were reversed – the media snapped out of its fog, environmentalists became politically shrewd and the public acknowledged global warming – capitalism would keep serving “an ever-increasing volume of environmental insults.” For example, new technologies such as “genetic engineering and nanotech” are presumed benign until proven guilty – even though it can take years for complex problems to surface. And environmental problems are becoming harder to comprehend. By now, only the most specialized lawyers can make sense of dense environmental laws, which are rarely enforced anyway.

Alternative Approaches

Scholars of “environmental economics” believe a free market is the best remedy, if it takes the full cost of products into account and aligns with government programs that promote the common good. Many environmentalists originally eschewed such market-based strategies, but they have come to see the potential benefits. For example, Germany used tax incentives to increase energy efficiency, and American “cap and trade” programs have cut air pollution. The goal is to link financial rewards with actions that protect the environment. A “polluter pays” policy makes sense, but setting environmentally sound prices is very difficult. First, calculating the true, full cost of environmental damage and human sickness caused by producing and selling any particular product requires extremely detailed information. And how do you value future impact against today’s benefits?

The Question of Growth

Society must rethink capitalism’s simplistic devotion to growth. Continuing to prioritize growth will sabotage environmental success. Unbridled capitalism fosters environmental decline along with other social problems, making participants “prisoners of plenty.” Many ecological economists challenge prevailing assumptions about the benefits of growth. Even the popular notion of sustainability is ripe with different interpretations, some of which foster consumption.

“Basically, the economic system does not work when it comes to protecting environmental resources, and the political system does not work when it comes to correcting the economic system.”

People must explore alternatives to ruthless growth, but “what are the practical and political prospects for a post-growth society?” Economic welfare and environmental protection are not necessarily at odds. No one really knows clearly yet whether sustainable business practices and improved consumer efficiencies can reduce the release of carbon dioxide adequately or quickly enough to bring about a meaningful net improvement. Ideally, economic growth can be made “greener,” though population growth is still harmful.

“The worst impacts can still be averted, but action must be taken with swiftness and determination or a ruined planet is the likely outcome, based on the best science we have.”

The real growth the U.S. needs is growth in employment, health services, restored ecosystems and infrastructure. Gross domestic product is not the right measure of a nation’s well-being. The gross domestic product (GDP) does not address the pattern of “soaring wealth and sinking spirit.” Alternatives to GDP include the “Index of Sustainable Economic Welfare (ISEW),” “Genuine Progress Indicator (GPI),” and “Happy Planet Index (HPI).”

Going Green

The growing size of American homes, the amount of waste and the ballooning consumption of energy all point to destructive consumption trends. It’s time to “challenge consumption” head-on. Toward that end, the Environmental Grantmakers Association suggests increasing green policy incentives, spotlighting corporate behavior and teaching the public about green purchasing power.

“If the first watchword of the new environmental politics is ‘broaden the agenda,’ the second is ‘get political’.”

The financial risks of global warming are at last driving some corporations to pursue green measures. Voluntary programs, however, have limited outreach. Making corporations embrace productive change is difficult, in part because businesses enjoy many protections under current laws. Government policies should rein in corporations by restoring liability, reforming political influence and even changing regulations.

“The further and faster market transformation is pursued, the better off our children and grandchildren will be.”

Whether materialism can be delinked from modern culture is a complex question. But the time has come to rethink meaningful values, and focus more on adequate supplies, social connectedness and the importance of nature. Capitalism doesn't have to be replaced by socialism, but it must change, perhaps seeded by local efforts. Cooperatives and public trusts have the potential to be powerful forces. Many charities, local governments and even pension funds have already become agents of positive change.

A host of authors and thinkers envision pathways to a sustainable society. Effective political leaders can help America create a new narrative that features wiser environmental politics and greater social equity. The status quo is a death march. Citizens in all walks of life must become energized to achieve meaningful change, so humanity can continue to thrive on the planet. Rather than fall into the abyss, society must undertake “a struggle that must be won even though we cannot see clearly what lies beyond the bridge” at the edge of the world.

About the Author

James Gustave Speth is dean of the School of Forestry and Environmental Studies at Yale University, and author of *Red Sky at Morning*. He was a White House environmental adviser, headed an environmental policy think tank and led an international agency for the U.N.
