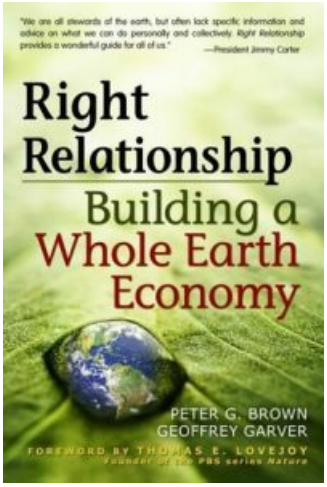

Book Right Relationship

Building a Whole Earth Economy

Peter G. Brown and Geoffrey Garver
Berrett-Koehler, 2009
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Recommendation

Many books decry human greed, describe the degradation of the environment and end with a few short pages recommending reform. This isn't that type of book. Instead, from the first page, Canadian environmentalists Peter G. Brown and Geoffrey Garver agitate for a revolution in the way people use natural resources. They present an admirably solid case that the relationship between the Earth and the global economy must change, and soon. Whether their idealistic prescription (global governance institutions?) is realistic, however, remains to be seen. *BooksInShort* recommends this book to leaders who seek a fresh perspective on sustainability and the economy.

Take-Aways

- Society must find the "right relationship" between economics and ecology – because, for too long, people have avidly pursued the "wrong relationship."
- A right relationship would "preserve the integrity, resilience and beauty of the commonwealth of life."
- The economy exists to supply humanity with the basics: food, clothing, shelter and health care.
- This premise – and promise – has disappeared from today's economic model. It fails to provide necessities for many people, while allocating more than enough to others.
- The economy is part of Earth's larger ecosystem, which has only finite resources.
- Society's concept of fairness must extend to other humans and other species.
- In a right relationship, individuals would consume less than they could afford.
- National governments have been unable to create the right relationship.
- Society needs new international governing institutions, such as a Global Reserve to study the biosphere and a Global Court to ensure the rule of law.
- Once people can meet fundamental needs, wealth doesn't make them happier.

Summary

Applying Quaker Teachings to Global Sustainability

As civilization takes an ever-greater toll, Earth's ecosystem is on the verge of collapse. Every one of the planet's billions of inhabitants cannot feasibly live a rich-world lifestyle, with cars, plane trips and large, air-conditioned homes. But, all those billions can't live as hunter-gatherers, either. Humanity must strike a balance and find the "right relationship" between economics and ecology – because, for too long, society has avidly pursued the "wrong relationship."

> "The state of the global environment is extremely worrisome and getting worse literally daily."

Intriguingly, economics and ecology have at their root the Greek word *œcos*, meaning "home," but they are not at home with each other. Global warming is a direct result of the conflict between these two areas of study. Now, each individual must question the very idea that rapid economic growth and frenzied money making are inevitable, or that they're the only way for capitalism and human society to function. Reversing man-made damage is a moral issue. For centuries, people considered greed unsavory, if not sinful. But in recent decades, greed has become an end in itself for many modern cultures. This overarching, unsustainable push to use as many resources as possible is the root cause of global warming and the ailing ecosystem.

> "Clearly the time is at hand – indeed, it is overdue – for a grand reconciliation between humans, human systems and the environment."

To find a road map for dealing with this ethical quandary, look at the way that the Religious Society of Friends, known as Quakers, analyzes moral issues. Quakers are famous for questioning conventional wisdom. In the 1780s, Quakers in England and the U.S. began agitating for the end of slavery. Their perseverance in an unpopular cause helped change history. Today, the Quaker theory of right relationships suggests a goal in the fight to halt global warming. A right relationship "tends to preserve the integrity, resilience and beauty of the commonwealth of life." A "wrong relationship" does not. Sadly, in their insatiable quest for greater wealth, men and women are perpetuating far too many wrong relationships.

> "Building a whole earth economy means moving from endless production and concentration of wealth to providing only as much wealth as is needed for dignified, secure living."

To work out a balance between humankind's desire for abundant wealth and its longer-term need for a healthy environment, ask five crucial questions:

"Question 1: What Is the Economy For?"

The economy's simple purpose is to furnish food, clothing, shelter and health care. This premise has disappeared from today's economic model, which fails to supply the basics to many while giving more than enough to others. In this way, the economy creates the wrong relationship between human welfare and economic activity. Society has long believed that a fast-growing economy is the best way to offer health care, schools and environmental protections. Yet, despite unprecedented decades of economic growth in the developed world, nations still fall short in establishing health care and education, and in safeguarding the ecosystem. The time has come to change from the old model of unlimited growth to a more sustainable "whole earth economy," which provides abundance for the many rather than extreme wealth for the few.

> "Thinking about how the economy works only in conventional terms like supply and demand, market dynamics, financial incentives and the like misses the big picture."

Driven by economic expansion and wealth accumulation, the global economy has evolved into its present wrong relationship. Blame free-marketers who preach laissez-faire capitalism or corporations that lobby lawmakers to keep government out of the markets. Despite such wrong-way proponents, societies have set minimum wages, promised pensions and barred child labor. These efforts may defy free-market doctrine, but they infuse respect and fairness into capitalism.

> "The science that underlies the workings of life systems on the earth creates a powerful logic that, if applied, will pull the economy back from attempting to grow endlessly on a finite planet."

To inform the quest for a more holistic global economy, look at the practices of Native Americans. In many indigenous cultures, for example, adults would find it unthinkable to strike a child or to kill an animal simply to display its head as a trophy. From hunting buffalo to extinction to damaging the Great Plains with harmful farming practices, European settlers brought many examples of the wrong relationship to the New World. In an ecologically based global economy, humans would harvest only what they need, without being deprived, and use only the resources necessary to sustain life.

"Question 2: How Does the Economy Work?"

If you study economics, you'll face a bombardment of charts showing market dynamics, like supply and demand. Such measures are fine as far as they go, but they ignore the broader picture. Economists rarely think of biology, chemistry or physics, yet Earth's scientific realities dictate how long resources such as food and energy will last. Economists focus on easily measured items like incomes and gross domestic products, but they don't account for the economy's failures, such as famine or the pollution that a power plant produces. They haven't figured out how to discount for undesirable economic activity. When someone dies in a car crash, governments count the ambulance and the funeral home fees in gross domestic product (GDP), just like any other routine economic activity.

> "The ideal scale is not just a question of size; speed, momentum and intensity also matter. How fast change occurs affects the ability of life's communities to adapt."

Perhaps modern economics' most glaring shortcoming is valuing money above all – while ignoring the globe's true wealth: life-sustaining air, water and food. Green plants are possibly the most precious item on Earth; by turning sunlight into food, they enable life. Yet, economists don't value this fundamental ecosystem. Money dominates their thinking. The human economy is part of a larger ecosystem with finite resources. Scientific reality says economies cannot keep growing forever, but most economists ply their trade without regard for nature's limits. A more practical study of economics would value the ecosphere, not just the wealth created by using its resources.

> "The current system implicitly rejects governance options centered on respect for the earth's ecological limits and a fair distribution of its ecological capacity."

Economist Kenneth Boulding is an exception. In the 1960s, he compared the globe to a spaceship that's taken flight. Already packed for the journey, the craft can't take on any more supplies. Economists who ignore the spacecraft theory end up with a skewed take on pollution and other unwanted byproducts of economic activity. They see pollution's health effects as "external" problems. But a whole planet view of economics reveals that no impact can be external. In the Earth's finite closed

system, everything is internal.

"Question 3: How Big Is Too Big?"

For decades, the mantra "bigger is better" has propelled the economy: Bigger firms, bigger buildings, bigger homes. In a growth-driven economy, no one has any incentive to cut back on consuming resources. A right relationship would foster a consensus that folks are using up the planet faster than it can replenish itself. But in a wrong relationship, the costs of bad decisions shift to the future. Today's pollution and global warming will be someone else's problem later.

> "If the economy exists for sustaining life, then any distribution that fails to supply the subsistence needs of any subset of the global population is an unfair, immoral distribution."

How much damage people wreak depends on the "scale" of the harm – how large, fast and severe it is. Balance requires a new economic metric that, unlike GDP, doesn't just measure outputs and growth, but also calibrates the ongoing costs of environmental degradation in health, quality of life and ecosphere damage. The economy needs a "thermostat" that would work much like the one in a house. When you turn on the air conditioner, the machine doesn't just keep making the air colder; it turns off once the temperature reaches a chosen point. By the same token, the economy needs some sort of thermostat to halt the growth machine for a bit when it reaches a certain level. So what should trigger dialing down expansion? Climate change, increased pollution or more species extinctions could be crucial indicators. The thermostat should measure:

- **"Scale and integrity"** – Integrity refers to the ecosystem's health and balance. A degraded system, like the Everglades, is so damaged it can never regain its natural state.
- **"Scale and resilience"** – Living systems can bounce back after suffering man-made damage. The Everglades could keep functioning if the human engineering that degraded it were reversed, but it's not resilient enough to recover its untouched state.
- **"Scale and beauty"** – This subjective concept shifts among cultures, but often beauty comes with the right relationship. A poisoned river or leveled forest is not beautiful.

> "Phenomena long in the making, such as climate change and mass extinction, are interacting with other looming global trends – in particular, overpopulation – to pose a frightening set of ecological crises."

Four variables affect the ecosphere's integrity, resilience and beauty. They are:

1. **"Population"** – Demographic growth alone doesn't destroy ecosystems. But combine huge populations with rising consumption and the right relationship is thrown awry.
2. **"Affluence"** – Wealthier people burn more power and use more resources.
3. **"Technology"** – This is both the cause of and the potential cure for climate change. As people use technological gains to harvest more fossil fuels, additional high-tech progress might help cut the use of such resources. It will take more to slow the damage.
4. **"Ethics"** – Selfishness, entitlement and consumption are hallmarks of modern society. The consumer-driven economy, which creates and caters to material desires, encourages such attitudes. In a right relationship, humans would consume less than they could afford, simply because it's the right thing to do.

"Question 4: What's Fair?"

For decades, the question of economic fairness has focused mainly on the huge wealth gap between rich and poor countries. While global growth has improved living standards for some (the "rising tide lifts all boats"), it has created a larger issue of fairness: How can people coexist with the planet in a way that is fair to the health of all life forms? Clearly, coal mining that decapitates mountains isn't fair – neither is destroying forests by harvesting tar sands, nor diverting water from the Athabaska River or the Nile. Society must extend fairness beyond humans to other species. Driving plants and animals to extinction is immoral. Most nations protect endangered species, but – beyond that – society should help them thrive. A healthy biosphere is good for all life.

> "A thing is right when it tends to preserve the integrity, stability and beauty of the biotic community. It is wrong when it tends otherwise." [– Aldo Leopold, 1940s conservation biologist]

Another troubling moral question surrounds the extreme distribution of wealth. The economic system's most basic purpose is to sustain life by providing food, shelter and health care. The fact that many people lack survival levels of food, shelter and health care is inherently unfair. Free-market purists cringe at such talk, since it inevitably leads to discussions of redistributing wealth. They argue that – if it makes economic sense – an efficient economy will provide the materials needed to support life. This is disingenuous. Of course, the globe's resources are not efficiently distributed. The imbalance stems from several arbitrary factors that influence wealth distribution, including the luck of birth, class and governmental structures.

"Question 5: How Should the Economy Be Governed?"

Most people have abdicated active participation in governance, though government is meant to reflect their collective will. National governments have not safeguarded the Earth, so concerned citizens must get involved, make changes and establish global, not national, oversight of scarce resources. This may require new institutions chartered to create the right relationship, such as:

- "The Global Reserve" would calculate how much of Earth's resources people can use. It would replace the World Bank and the International Monetary Fund to balance the economy and the ecosphere. "Trusteeships of Earth's Commons" would manage shared resources, like the atmosphere, based on the Reserve's recommendations.
- "The Global Federation" would protect human rights, security and the biosphere.
- "The Global Court" would "prevent abuse of power" and make regulators follow the law.

"People everywhere need to envision having fulfilling lives, and then start living them by walking more lightly on the earth."

Creating the right relationship requires taking four major steps:

1. **"Grounding and clarification"** – The greed-driven society says wealth creates happiness. In truth, once men and women's basic needs are met, wealth doesn't make them happier. Instead, contentment stems from good health and close relationships with other people and with nature. Once people know this, they can change how they act and how they treat the planet.
2. **"Design"** – Society must devise ways to respond to this crisis by developing the "institutional changes and processes necessary to...preserve the integrity, resilience and beauty of the commonwealth of life."
3. **"Bearing witness" –** Changing your own life is a good start toward fostering "a guidance system built on right relationship." If you set an example and speak out, you can help create a "mass epiphany" that will change the way everyone lives.
4. **"Nonviolent change"** – The Quaker approach to a nonviolent social movement has achieved many victories, including the end of slavery. This model can prove fruitful, again, in arresting climate change and the degradation of the planet.

About the Authors

Peter G. Brown, Ph.D., is a professor at McGill University's School of Environment, and author of *Restoring the Public Trust* and *Ethics, Economics, and International Relations* (published in North America as *The Commonwealth of Life)*. **Geoffrey Garver** is an environmental consultant in Montreal and a trustee of the Quaker Institute for the Future.
