

IS A PEACEFUL, JUST AND SUSTAINABLE FUTURE POSSIBLE?

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Lincoln Efford memorial lecture, Thursday 19 August, 2010

Ki nga mana whenua o tenei rohe, tena koutou. He mihi tenei ki nga mana katoa kua huihui mai nei. Ki nga iwi o te motu, tena koutou, tena koutou, tena tatou katoa.

Introduction

Although I never had the good fortune to meet Lincoln Efford, other than seeing his photo on the wall in this room hundreds of times, I have had the privilege of meeting Morva and Brent, over many years. I would like to acknowledge Brent's involvement in the invitation to give this lecture.

I also had the opportunity to meet an important WEA colleague of Lincoln, George Manning, soon after I came to Christchurch in the early 1960s. His picture is on the wall of the Manning Room, next door. My NZ-based uncle Bill Bowen, took me to meet George, then Mayor, in the old Civic Offices in Manchester Street. George and my grandfather, John William Bowen, grew up together in South Wales and, I understand, signed the Pledge together in their teens. George admitted to backsliding later, but my Grandad never did!

Grandad was also much involved in the WEA in Britain in the early years of last century, and was a co-founder of the similar-philosophy Workers' Travel Association after World War I, an organisation for which my parents, Nelson and Mildred Peet, worked as managers, both before and after World War II. It was in a WTA Guest House that I lived as a toddler and where my brother Jeremy was born, just before WW II, and again for nine years after it. WEA people often stayed in the WTA guesthouses.

I would add to that the fact that my wife Katherine – a former President of both the Canterbury WEA and the national Federation of WEAs and an Honorary Life Member of this WEA - also has an ancestry which was much involved with the WEA in NZ. You can see why I can claim the pleasure and privilege of some significant degree of historical association!

I want to start this lecture by looking at the “future” component of my title, and do so through examination of some of the **drivers of change** that are with us in 2010. I do this by using some of the material in the Sustainable Aotearoa NZ (SANZ) report “*Strong Sustainability for New Zealand: Principles and Scenarios*”, produced in association with the NZ National Commission for Unesco last year, as part of the NZ contribution to the UN Decade of Education for Sustainable Development. The report is downloadable free from www.phase2.org, or purchasable as a hard copy. I was one of the team that created this report

Major Global Change Drivers

There is a good level of agreement in the foresight literature that the major global change drivers to 2030 and beyond will include:

1. Degradation of global ecologies caused by population growth and human economic activity, further reducing the already grossly overloaded capacity of these ecological systems to 'clean up' pollution from human industry and consumption and to contribute food, fibre, and energy.
2. Rapidly accelerating global climate change, with associated extreme weather, producing direct impacts as well as the indirect impacts of resulting policies of mitigation and adaptation. Within a few years, public concern about potentially catastrophic climate 'tipping points' will intensify.
3. Radical increasing trends in hydrocarbon (oil, coal, natural gas) prices and wider variations around the trend, caused by increasing costs of extraction internalisation of carbon gas emission costs, and recognition of 'peak oil'. Substitution of renewable energy will increase, stimulated by these price trends but will be insufficient to avoid major economic and social disruption as whole sectors of global and local economies fail. In addition, nations that hold hydrocarbon reserves will seek increasingly to conserve and conflicts will result.
4. Poor and declining regional supplies of water (volume and quality) and consequent negative impacts on human health and mortality, and on agricultural food production. Regional conflict will result.
5. Critical global food supply deficit as population growth further outstrips the ability of both subsistence and cash food and fibre production to feed humanity, resulting in widespread starvation, despite successful initiatives to minimise wastefulness.
6. Atmospheric and water-borne toxins and toxic substances having much more serious direct effects on the health and mortality of humans and many other species.
7. Geopolitical shifts and disruptions as nations and blocs suffer adverse conditions, adjust to change, and attempt to exercise shifts in relative economic and military power.
8. Wide swings in economic activity, including market failures and dislocations, as economic and financial institutions struggle – with declining success – to operate in a world that is shifting and changing beyond their ranges of competency.
9. Advances in computers, information technology, connectivity, nanotechnology, robotics and other technologies. Some of these will help

to mitigate aspects of the changes listed above, but they will not provide a 'magic bullet'.

There will be complex interactions between these change drivers. All are subject to uncertainty about timing and magnitude.

The changes will be outside the range of prior human experience in terms of magnitude, speed of arrival, and especially simultaneity (several change drivers occurring together so that their impacts reinforce each other).

The changes will cause abrupt and radical shifts in human living and work, creating risks and opportunities.

So ... how might we as a nation respond to these changes – and challenges – as we face the awesome responsibility of creating policy options for a peaceful, just and sustainable future?

Why are these Global Changes Happening?

Our team was clear that the root cause of unsustainability – and including climate change – is our approach to economics. In the mainstream model of macro-economics, circular flows of monetary value between production and consumption sectors join in a self-reinforcing spiral of perpetual growth. Resources, including people, are always accessed through the mediating power of the marketplace.

That model is markedly different from that of the engineer/scientist, in which high-quality energy and matter enter, then flow through the economic system, via production and consumption processes to outputs of pollution. This always involves degradation of high-quality resources (especially energy) into low-quality pollution and waste.

Despite common assertions, the two perspectives are in fundamental conflict, particularly because although perpetual growth is assumed to be both possible and desirable in the first model, growth is subject to severe resource and waste disposal constraints in the second – and given that we live in a world with such limitations, continuous economic growth - as currently conceived and measured - is impossible. In addition, the second model puts before us the need to decide which actions are ethically desirable anyway.

From the second perspective, growth in the face of diminishing resource availability also gives rise to costs, including economic, that may exceed the benefits. We know that already happens in many countries, and the NZ data to address that issue are due to be published soon, with very similar results. It is also worth mentioning that the benefits often accrue to different people than those paying the costs.

We can reach several general conclusions:

- economic growth, overall, has continued until we are now past sustainable levels;
- global society will change more over the next 20 years than in the past 100,

- meaning we must design policies for what is coming, not what has been;
- the main forces for change will be climate change and resource scarcity, especially fossil fuels and water;
- the end of growth does not result from total depletion but from rising energy and capital costs, and
- the most important scarcity everywhere is the absence of a longer-term perspective.

Regrettably, the dominant reaction from the economic/political viewpoint is typified by the remarkable statement by a senior NZ politician a relatively short while ago that “*Economics trumps the environment*”. That statement reflects a view of the world that is exactly the opposite of the way the Earth actually works. A Strongly-Sustainable human society and its economy will live and develop as part of the Earth’s ecosystems, not as their master and commander.

If economic (and hence resource use) growth is considered to be the natural state of things and can be expected to continue indefinitely, then it is reasonable to allow debt to be created, in the expectation that rising affluence will enable it to be repaid in the future.

But if the scientific reality of limits to growth is taken seriously, the idea of allowing debt to burgeon in the expectation that it will always be paid back via the next increment of growth is akin to a Ponzi scheme, widely known to be a scam. If economics actually does not trump the environment, the enormous edifice of debt, nationally and internationally, cannot continue, and indeed can be expected to collapse catastrophically in the near future, as indicated in the scenario excerpt above.

International crises of the past two years, from this perspective, are not only the results of banking errors and frauds, but also of fundamental misconceptions about the way the world actually works. While still unacceptable to economic power structures, real-world scientifically-informed common sense demands that a different approach is necessary, as soon as possible.

The conclusion reached by the SANZ report and by many others is that we must pay much greater attention to transparency in our choice of values and ethics to underlie our policies for the future. Clarity about this is an essential prerequisite to construction of a new economics of sustainability. An essential part of this new economics is the need to address the appalling – and still growing – levels of poverty in the world and in each country, and the similarly-growing separation between the top few percent of humanity, and those at the bottom.

What Should be our Response?

The key to our response to the challenge in the title of this address, must be acceptance of what we in Sustainable Aotearoa New Zealand (SANZ) call the Six Enabling Conditions. These summarise what we mean by Strong Sustainability, and show just why we see this issue as far greater than “doing good things for the environment”. The conditions are, simply, what we must do to respond to the

changes that face us in such a way as to build a future that future generations will enjoy, rather than suffer.

Six Enabling Conditions

1. New Zealand limits emissions into the atmosphere, discharges into waterways and the ocean, and chemicals into soil, to levels within the assimilative capacities of the relevant ecosystems.
2. New Zealand regenerates and grows natural and social capital to sustain the health and resilience of its people and their institutions, and the whole of nature.
3. New Zealand substitutes renewable resources for non-renewable resources wherever feasible, and uses these as efficiently as possible. Non-renewable material resources are stewarded within closed cycles that maintain their quality, and non-renewable energy resources are used at a rate that is no greater than the rate of investment in their replacement by renewable energy sources.
4. New Zealanders are broadly and deeply eco-literate and have a strong human-Earth relationship. Through education, they know that people are part of nature and ecosystems and understand that what they do to nature they do to themselves.
5. Strong sustainability understanding is deeply embedded in all of New Zealand's governance, economic, legal, and educational systems, and all applications of these systems.
6. New Zealand imports only from countries and regions that have produced goods according to strongly sustainable criteria and refuses to benefit materially from unsustainable practices offshore. All New Zealand's exports are produced by strongly sustainable processes and practice.

I now want to invite you to join me in a form of Dr Who exercise; to time-travel forwards around half a century and look back at what that peaceful, just and strongly-sustainable future might look like, and how we got there, while following the enabling conditions above.

A Sustainability History of New Zealand from 2009, told from a vantage point around the middle of the 21st Century

From New Zealand's position now, in a state of strong sustainability, it is clear that its citizens were quite unready in 2009 to embrace the concept of sustainable living and the changes required to achieve it. Modern historians have marvelled at the fact that the 2008 General Election scarcely mentioned the subject, despite the substantial evidence of unprecedented future change which existed even at that time, and did not take long to appear. The drivers of major change that had been identified by 2008 soon appeared, some with much more severity than had been envisaged back then.

The world economy went into deep recession. It was spurred further by political unrest in several major nations and blocs, resulting in multiple regional conflicts

Through all of these events, sensible decisions were taken in New Zealand whenever they were needed. With the benefit of hindsight we now know that if any key decisions had been mistaken or unduly delayed, our recent history would have been one of much greater confusion, chaos and hardship. There would have been a substantial collapse of human civilisation in this country, together with irreparable damage to our ecological systems.

New Zealand's economic output – GDP - fell markedly and its dependency on international trade reduced. The years between 2009 and 2020 were very difficult – globally and in New Zealand – as the entrenched economic and governance systems struggled to cope, with deteriorating degrees of success.

When the citizens of New Zealand realised after several years that their institutions lacked the necessary imagination and leadership, they decided to make changes themselves. That made all the difference! Institutions are like ecosystems, living systems with forces of stability and forces of change. If institutions follow short-term economic rationality they will emphasize competition, stability and material growth. If they follow long-term ecological rationality, they will emphasise cooperation and change.

As a result of the reforms brought about by this movement, New Zealand is now – in the middle of the 21st century - strongly sustainable within its sovereign territory, and possesses substantial influence in other countries that are on a similar path. At the heart of our country are the six core “enabling conditions” and reverence for the sustainability criteria that they support.

As we felt the painful impact of economic and ecological meltdown on a day-to-day basis, we were finally able to see what had gone wrong. Our biggest problem was a lack of imagination. Our public and private institutions were too busy keeping ‘the economy’ going and never really tried to move out of that mindset.

Even when it became widely accepted that sustainability was a journey as well as a destination, clarity was urgently needed. Because the democratic institutions – governments, political parties, media – had remained fixated by economic growth, sustainable development had never been accepted as part of the global market ideology. ‘Displacement of the political by the market’ raised the question of how democracy and sustainability could ever be revived.

Fortunately, we in New Zealand felt strongly that both concepts were absolutely indispensable and one could not be realised without the other. The concept of democracy had to be reformulated and grounded in commonly

accepted principles of freedom, equity, and justice. To these we added strong sustainability. The search for a principled approach to democracy had occupied discourse for a long time. This pointed to the blind spot of democratic decision-making – responsibility not only for the here and now, but also for the there and then.

Once we asked the question about how democracy and sustainability could go together, we had a healthy debate on fundamental values. While some people were only ever concerned with increasing their wealth, most New Zealanders knew that market ideology had profoundly failed us and looked for a new arrangement between the public, the state and the economy. Given the fundamental importance of sustainability it became increasingly clear that any such arrangement had to be based on values and principles.

As the various governments of the day had no sense of urgency and never admitted their own ineffectiveness, it was left largely to civil society to initiate and organise change. In New Zealand – like in most other countries – citizens, not governments, took charge. As a consequence, a far-reaching governance reform became inevitable.

One of the most important developments was increased understanding of the Treaty of Waitangi and its relevance to the dominant discourse of economic growth being central to policy making. This increased understanding led to the Treaty being accepted as a framework for relationships between tangata whenua and people not of Maori descent. These people described themselves as tangata Tiriti – people with the right to stand tall in this country provided the Treaty was honoured.

In using this Treaty framework tangata Tiriti learned to express their ecoliteracy while building respectful relationships with tangata whenua. These relationships proved fruitful in identifying the common good and putting the Enabling Conditions into practice. Central to this understanding was local interpretation of kaitiakitanga by mana whenua.

Within this new political context the long-term issues relating to Maori – especially the settlement of historical Treaty claims and issues relating to lands, foreshore and seabed – were resolved to the satisfaction of all citizens. Aspects of the successful application by Maori of the model of specific trusts were implemented widely by other communities as well.

That was a brief summary of how we got to the situation of a strongly-sustainable NZ. I now want to describe – even more briefly – what that strongly-sustainable NZ might actually look like. Again, there is much more detail in the Strong Sustainability report.

Scenario of a Strongly Sustainable New Zealand around mid-21st Century

The size and success of the New Zealand economy is no longer measured in financial terms. The concept of economics has shifted radically. It now focuses on human society's most precious asset – its stable and sustainable presence as an integral part of the ecology of all life.

Material growth is no longer central to economics, which is now concerned with the process of efficient production and delivery of needed goods and services within the limits of economic integrity. GDP is no longer our measure of economic performance. Our economy has market mechanisms and forces that work to maximise community wellbeing and the happiness of individuals within the requirement for ecological integrity. All investment proposals are now evaluated in terms of their impact on ecological integrity, then on their contribution to community wellbeing and happiness.

Since 2009 there have been major shifts in land use. Some were forced by climate change and weather events, and others by the adjustments required by the process of becoming strongly sustainable.

Electricity is the major form of energy for all applications, and none is generated from fossil fuels. Use of fossil fuels by vehicles is limited to the very few essential applications where no alternative technology is yet available. Mass transit, bicycles, and electric vehicles have become the norm.

Most human living is now structured around small 'villages,' most of which are semi-rural, with some remaining inside larger urban settlements. A high proportion of food is grown locally and seasonally. Nearly everyone has a plot of land and is involved in growing some of their own food.

There is a real sense of community that was missing from life in 2010. Village functions are within cycling distance, and public transport connects village communities to each other and to bigger centres where universities, specialised hospitals, research facilities, and large-scale arts complexes are located.

Because of the reduction in consumption and waste, there is only moderate need for paid labour and money income, although there are jobs for all who want them. Many full time jobs are shared between two or three workers.

People devote much more of their time to leisure, but rather than taking leisure vacations far from home, they are more likely to pursue community activities (such as participatory music and sports) and public service (such as day care and elder care). Some of this time is exchanged using local community currencies such as time banks.

Unemployment has become an obsolete idea, as has the distinction between work and leisure. People are able to do things they really enjoy much more of the time. Although physical travel has decreased, people communicate electronically over a much wider web, and physical travel is treated as the privileged learning opportunity it is; we travel more slowly, for longer durations. Ours is a truly global community maintained with an appreciation of, rather than a requirement for, physical travel.

Source: The full report “Strong Sustainability for New Zealand: Principles and Scenarios” can be downloaded free from the Sustainable Aotearoa NZ website www.phase2.org or purchased in hard copy for \$20.

The scenario I have just referred to, described in some detail in our report, resulted from a 2-year study of what a strongly-sustainable NZ could be like, and how – if managed carefully - the transition might occur. In the opinion of the team of authors, it is vital that a start on the transition be made as soon as humanly possible. If we do not do so, and if we do not follow the general direction of the enabling conditions, the future promises to be much less benign.

Conclusions

Now I would like to pull together some of the threads of this presentation. I’m sure you will recognize why I have concentrated mainly on the Sustainability of our idealistic but entirely possible scenario of the future. But will it also be Peaceful and Just? After all, they surely go together!

I think so. Acceptable levels of wealth and power – and hence of peace and justice - are strongly influenced by the underlying values and ethics upon which the political and economic systems of a country are constructed.

Politics and economics do not exist in splendidly-independent isolation; economics is intensely and – if treated transparently and honestly – properly political, in that it relates to development of policy. To treat an influential branch of economic theory as in some sense a science that is remote from politics is a nonsense. In fact, mainstream economics is a logical structure based on a 19th century political theory, copying some of the ideas of a then-seriously-incomplete 19th century Physics. The new economics will be built on a new set of ideas, as described above and summarized in the Enabling Conditions, respecting 21st century Physics.

Regrettably, few scientists or economists are aware of this, but the issue is slowly but surely entering the consciousness and academic literature of both. It is urgent that it enters the public discourse, and the sooner the better. To me, the most appropriate means to achieve this is to bring the main scientific and economic professional organizations together in a structured – and mutually-respectful way –

to work through the inconsistencies that exist between their ideas about the future.

And perhaps more importantly, for politicians of all stripes to sit down with their opposite numbers and with scientists and economists in mutually-respectful situations to learn how to respond to the global change drivers that face us, without party political mudslinging.

SANZ believes that with a new economics it is still possible for New Zealand to move from its present highly unsustainable path to a strongly sustainable one. But the time available for this to happen is now very short. There is no time to lose, if my and others' grandchildren are to be able to look back on 2010 from the mid-21st century with a measure of satisfaction about, and maybe even respect for, their ancestors.

Thank you.

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