Capitalism as if the World Matters

Capitalism As If The World Matters

2007: the atmosphere warms up; the forests crash down; the poor of the world go on getting poorer; water resources in more than 30 countries are running dry; fish stocks decline; an additional 73 million people join the human race; 800 million go hungry while a billion get fat. Just an average year in the life of planet Earth.

And still we wait for today's political "leaders" to begin to get their act together.

This is not a question of disputed science. Even on climate change, the consensus is now overwhelming. Neither it is a question of money. The rich world squanders countless billions of dollars of tax payers money on subsidising life-destroying industries year in, year out. Instead, it is a question of fear and lack of political vision.

Politicians are fearful because they don't believe the answers can be found within a capitalist framework. And they know they won't get elected unless they go on offering voters the same kind of "get rich quick, party on politics" that has dominated our lives for the last 50 years.

Whether capitalism really is capable of delivering a genuinely sustainable, equitable economy is by no means clear. But it had better be. It is the only game in town, and will be for

many years to come. Precisely those years during which we have to take urgent, radical action to halt the current pattern of damage to the planet and our communities.

'Capitalism As If The World Matters' is all about confronting that all but unspoken crisis in our political systems. Without inspirational and utterly transparent political leadership, the beneficiaries of today's feel-good societies will go on thinking that they can go on forever.

Since the first edition of "Capitalism" came out in 2005, its basic thrust has been warmly received by business leaders, academics and campaigners. This edition has been substantially updated, with extended analysis of what is happening in China and the United States (on which two countries our future prospects almost entirely depend), a whole raft of new case studies from the business world, and a deeper treatment of some of the security issues that have such a profound effect on people's lives.
It also continues to raise difficult questions for the environment movement to address as it struggles to make its voice heard beyond the "already converted" and broadly sympathetic.

Change will not come by threatening people with yet more ecological doom and gloom. The necessary changes have also to be seen as desirable changes: good for people, their health and their quality of life – and not just good for the prospects of future generations. This is a 'here and now' agenda, as well as an agenda for tomorrow.

This means working with the grain of markets and free choice, not against it. It means embracing capitalism as the only overarching system capable of achieving any kind of reconciliation between ecological sustainability, on the one hand, and the pursuit of prosperity and personal well-being on the other.

That said, today's particular model of capitalism is clearly incapable of delivering this kind of reconciliation, dependent as it is upon the accelerating liquidation of the natural capital upon which we depend and upon worsening divides between the rich and the poor worldwide.

At its heart, therefore, sustainable development comes right down to one all-important challenge: is it possible to conceptualize and then operationalize an alternative model of capitalism – one that allows for the sustainable management of the different capital assets upon which we rely so that the yield from those different assets sustains us now, as well as in the future?

The case for sustainable development must be reframed if that is to happen. It must be as much about new opportunities for responsible wealth creation as about outlawing irresponsible wealth creation; it must draw upon a core of ideas and values that speaks directly to people's desire for a higher quality of life, emphasizing enlightened self-interest and personal wellbeing of a different kind.

It is only this combination (sustainable development perceived as answering the unavoidable challenge of living within natural limits, providing unprecedented opportunities for responsible and innovative wealth creators, and offering people a more equitable and more rewarding way of life) that is likely to provide any serious political alternative to today's economic and political orthodoxy.

Unless it throws in its lot with this kind of progressive political agenda, conventional environmentalism will continue to decline.

All things considered, what is the alternative anyway? If not genuinely sustainable development, then what? And if not now,

when?”

The paperback of Capitalism As If The World Matters is available from the Earthscan website.

Living Within Our Means

Politicians have a unique opportunity to confront and resolve both crises simultaneously. But there is no time to lose, I argue in ‘Living within our Means’.

Unless we put the imperative of living within our means, both financially and environmentally, absolutely at the heart of everything we do to dig ourselves out of this recession, then any economic reprieve that we enjoy at the end of that time will be as bittersweet as it will be short-lived.

Politicians working to fix global financial markets must also ask whether their solutions will also help fix the global environment. Do we really want to be remembered as the generation that managed to rescue the global banking system even as we allowed the natural world to collapse around us?

I believe that few politicians grasp the scale of the task ahead. Although I welcome the UK’s Climate Change Act, there is no serious indicator that the government is using the current crisis to rethink the way we live and the way we create wealth.
I set out in detail (Chapter 2) how “Anglo-American deregulated, debt-driven, growth-at-all-costs capitalism” is responsible not only for the near-collapse of the global banking system but also the “near-imminent collapse of the ecological systems on which we all depend.”

‘Living Within Our Means’ follows a previous book of mine, ‘Capitalism as if the World Matters’. I’m calling for “a root-and-branch transformation of capitalism”, and review (Chapter 4) current thinking on sustainable models of capitalism,

identifying key priorities for politicians:

- global programmes to restore the natural systems on which we depend, such as schemes to pay tropical countries for maintaining their rainforests;
- a ‘Green New Deal’ with massive investments in energy efficiency and renewables, creating ‘green collar jobs’ in a low-carbon economy;
- reform of the economy, with greater regulation of capital markets, green taxes, and an end to the unsustainable pursuit of economic growth as an end in itself.
- There are grounds for optimism. The scale of the collapse of the banking system and of government interventions in the markets has destroyed old dogmas. The mounting evidence of accelerating climate change leaves politicians with less and less space to hide. And with Barack Obama in the White House, the US is now willing to be part of the solution.

This is an extraordinary opportunity. It may even be the last chance for capitalism to stake any kind of claim as the system best placed to help us navigate our way through to a sustainable future for nine billion people by 2050.