

Sustainability Sunday Fact Sheet #4: Econ and You.

There is really no easy place to jump into economic practice and theory or to tie it in to ecology and how you affect it so were just gonna dive right in. A lot of you may be familiar with Daniel Quinn, he wrote a book called Ishmael in 1992 that didn't necessarily introduce new concepts into the public domain but revisited some old ones, this is where we'll begin Quinn devised a law called the law of limited competition wherein if you have multiple species it is fare for them to compete but one cannot take away the food supply or habitat of another, once this happens the fate of all species becomes unsustainable- We are the first species to do this in order to maintain our growth, thus: It is safe to say that every environmental problem we have may be attributed at some point to overpopulation. The more people you have the more resources are manufactured, used, and consumed yet without proper distribution, welfare and education you simply perpetuate misery. This is what's called a Malthusian catastrophe and we're getting awfully close: the world's food production has peaked in some of the very regions where food is needed the most. For example in South Asia, approximately half of the land has been degraded such that it no longer has the capacity for food production. In China there has been a 27% irreversible loss of land for agriculture, and continues to lose arable land at the rate of 2,500 square kilometers per year. Combine this with the damage done to produce these resources: 2005 was officially the hottest year in the last millennia. Out of 40,170 species currently living 16,119 are in serious danger of extinction: that's 1 out of 8 birds, 1 out of 4 mammals, 1 out of 3 reptiles, and 3 out of 4 insects. By 2050 the world population could reach 10.5 billion at its current rate of growth consuming in one year what it will take the earth nearly two to produce. To confuse matters we are in what is becoming [taking into account the global effects] the largest economic downturn this country and the modern world has ever seen.

So let's look at the basics of the economic system we're in why it doesn't work, what practices might work better and what you can do as an individual to contribute. In the 19th Century economics was kind of like meteorology, then all of a sudden big names like William Stanley Jevons, Maria Edgeworth and others took alterations of Newtonian physics made by the German physicist Hermann Von Helmholtz and applied them to economics substituting economic variables for physical ones such as utility for energy etc. and thus you have the birth of neoclassical economics. The main problem with this is that it's still basically meteorology but implies itself as hard scientific formula. Neo Econ believes that our environment is a subsystem of the economy, and that the economy itself is a self regulating system. Basically all "externalities" meaning either positive or negative affects caused by the products in a market are outside of the products themselves and thus like the environment are not to be seriously considered. On top of that you have a currency system that's built on debt. The dollars you spend aren't real wealth but the bearers claim on his or her's nation to produce wealth, and debt for its part being a representation of a nation's ability to create wealth in the future. Nearly all our financial burdens over the recent years reduce down to repudiation of debt, and we

are unlikely to avoid more until we stop allowing claims on income to grow faster than can income. We now outsource our deficit to other countries and then set them up to become industrialized as we have become using out-dated and unsound technology and monetary systems that simply repeat the very same problems we are suffering from right now. Either way it is safe to say the neoclassical economics has failed. There aren't secret rooms of men out there conspiring to get you and take your money- it's much worse than that. There are entire schools churning out students who vehemently believe in these principles as right and so you have a lot of people doing what they have been taught to do but not facing how damaging the very practices are to the world and each other. Keep in mind Neo Econ also presumes that every "rational" participant in economic life knows these instructions and assumes that everyone else knows them too. To make matters worse, it is then applied to financial markets so that any economically inexplicable fluctuations that do occur are explained away as purely random, like tossing a coin. This leads to the conclusion that financial prices, although they may fluctuate randomly in the short term, are highly predictable in the long term. Look around, this has obviously been a mistake.

So how can we start to at least view these things differently and find ways to fix and repair our damage? Ecological Economics reverses the principle of inclusion and states that the economy is a subset of the environment. This obviously makes a lot of sense seeing as how without it we wouldn't be here and thus neither would the economy. It stresses structuring econ like a living system looking at everything that it produces like waste and debt and taking into account natural capital or natural means of production that contribute to our gross domestic product. This platform brings us to the most viable solution to our ecological problems: The theory of a true cost economy. Earlier we stated that in Neo Econ a product has externalities, well the negative ones might be how much energy it takes to produce it, or how much damage is done to our world in its production, distribution, and consumption. This system creates a relatively set cost [globally] for each item and then takes these externalities into account. This means that local and sustainable products and agriculture would go down in cost while genetically modified or engineered products and unsound ones would rise. You can still buy whatever and however much you choose but you pay for the actual cost of what that product does and means to the world around you. The money would go towards sustainable means of production and eventually corporations that choose not to adopt them would go bankrupt. To realistically achieve this an organization would have to be formed to act globally as an ecological Nato that would keep a solid hand on the WTO and ensure that all costs were accurate and environmental laws were being followed. This is obviously not something that can start tomorrow but if we as citizens and then consumers use our power to start demanding change, these things ARE possible.

It's easy to jump off a cliff and kid yourself for a while that you're actually flying, it's really nothing more than a question of how high you're up and how well you can bullshit. We are in freefall; we must curb population, change food production and distribution, and correct our economic fallacies. People are going to die, and as sad as it is we don't have the means to continue to produce for everyone, we might have the products but you have to take into account what it means to make them, and distribute them. Truth be told we as Kansas Citians probably won't see too much of it, but I guarantee your children and theirs will. What kind of legacy do you want to leave to those you love? So here are a few things you can do this week or whenever that might help you realize the affect you can have.

1. pick 5 items you purchase in a week, do research on the means of production, distribution, and waste they create and calculate roughly how much you would actually have spent if those "externalities" were included. Take that money and put it aside wait 1 more week and spend it only on products that you know have little to no carbon footprint. Write a letter to even one of those companies asking what they plan to do in the foreseeable future to begin to cut down on this footprint.
2. Get informed; this is a simple outline that skips an enormous amount of info. Learn about the economic system you live in, and find ways to live more efficiently and responsibly.
3. If you have more than one credit card, take one and cut it up. If you have only 1 make a list of specific emergencies that you would have to use it for and don't let yourself give in to wants. If you use cash money you can never spend more than you have.
4. Ask yourself a very important question: Do I need this loan? If you're bowering money find out if it's something you could work and save for over time. Debt is only going to hang over your head, cause you more stress and worsen the quality of you're life. Thus the things we buy control who we are and what we do, is this the way you want to die? Why not ask yourself how do I want to live?

These are little things that can make a lot of difference, just as last week I told you that you were hummingbirds; I again say this week the littlest difference multiplied exponentially makes the entire world a better place. It's going to take all of us to do it, so get started and thanks for coming out, Dane.