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Change Begins With a Conversation

By Mike Nickerson

The impetus to reform or revolution springs in every age from the realization of the contrast between the external order of society and the moral standards recognized as valid by the conscience or reason of the individual.

R. H. Tawney, historian

Abstract

The time is ripe for change. Humanity has grown to stretch planetary limits on numerous fronts. We cannot continue with our tradition of expansion. Climate change, rising energy prices and economic instability all indicate that our species has reached physical maturity. With this maturity comes responsibility for natural resources and our waste. Financial bubbles are no longer able to preserve the illusion of growth and only so much wealth can be gathered from others before rebellion becomes destabilizing. Debt-based money is a growth hormone in the metabolism of the collective human organism because it always has to be paid back in greater quantity than is created. There are other sorts of currencies that don't compel expansion (Alternative currency [Web reference](#)).

Well-being is not about money. It is about our knowledge, skills and willingness to trade. In our mature state, it is also about natural resource supplies, avoiding toxic waste and equity. Full Cost Accounting and a Genuine Progress Index (GPI) are ways to account for well-being in our mature state.

With the board game Monopoly, the game isn't over until the winner has it all. Humanity cannot afford to play the Global Monopoly Game to that end. A new Game is in order, one that acknowledges our planets limits and is committed to accommodating them. Obsolescence and waste, which have been engines of growth, will be recognized as unaffordable.

Humankind is faced with the choice between growing until we drop and a new value system that respects planetary limits and needs of all people. It is a Question of Direction. Once we make the choice, hope for the grandchildren will reemerge. Humans are an awesome species. We are more than capable of securing well-being for countless generations on this wonderful planet, but first we have to choose the new direction.

Key words: sustainability, economics, social change, question of direction

How do we get our clever species to realize, after 10,000 years of growth, that we are grown-up now; that growing is no longer the most important thing we have to do? The need to reform the current economic structure, so as to maintain well-being without overwhelming the Earth, is obvious to anyone who connects the dots. The volume of natural resources we are using and the amount of waste we produce are at the root of increasing energy prices, the climate issue and emerging issues around fresh water and food. The solution offered by the external order of society, to continue growing, contrasts starkly with conscience and reason.

Change is in order. Fortunately, individual humans have more ability to change than any other creature on Earth. If your local gas station ran out of fuel and couldn't get more, your habits would change immediately. Our collective abilities to change course are also great. Recently we observed the twentieth anniversaries of the fall of the Berlin Wall and of the end of Apartheid in South Africa. Both these events, along with less historic changes, such as mandatory seat belts and the end of smoking in public places, in countries such as the US and Canada, illustrate our ability to alter behavior and rearrange the structures of society in healthy directions.

While these changes seemed to take place in relatively short periods of time, it took years of conversation before they came about. When something seems wrong, we talk about it with others. If the concern is shared, the conversation spreads. More and more people think about how things could be better. New thoughts are fed back into the discussion and slowly a new perspective of a better way comes into being. As that perspective becomes broadly shared, lifestyles, technologies, laws and institutions change and are changed.

No matter where one lives on our generous planet, the news today is that the human species now fills its habitat to the point that the environment is being overwhelmed. This change in circumstances affects different places in different ways, but everyone is touched. Warnings that this was coming have been sounding for decades, but its arrival is relatively new. It cries out for action. The conversation that will lead to action is picking up momentum due to the 1, 2, 3 shocks of the recent past.

First, in the summer of 2007, with the release of "*An Inconvenient Truth*," the public finally realized that climate change is serious. Second, in the summer of 2008, the price of oil rose to \$147 a barrel, leading to formal acknowledgements, by the likes of United States Department of Energy, the United States military's Joint Forces Command and more recently the International Energy Agency, that we are approaching the point where we won't be able to produce as much oil as we want. The third shock came when the inflation triggered by high-energy prices burst the sub-prime mortgage bubble and the global economic system collapsed.

One, two, three! The world will never be the same, but our leaders continue to miss the lesson and continue running things as they have in the past. All three events are symptoms of one problem: humankind is stretching planetary limits. The lesson we are just beginning to learn as a society is that these limits apply to us. The human family has come of age.

Maturity is defined as the state of being fully grown. Touching the limits of our planet qualifies us in this respect. Another definition deems that people are mature when they respond to circumstances in an appropriate manner. In this context humankind remains at the awkward adolescent stage, where we are fully grown but have yet to take responsibility for our strength and to act appropriately in our relations with the world around us. No longer a young offender, however, our species is now fully responsible to the laws of nature and we are subject to trial in

the court of natural selection. How we fare depends on how we respond to the lessons indicating that we now fill our habitat.

Once a species fills its habitat, there are two laws of nature that must be obeyed. One is the “law of the minimum,” which is defined by the quantity of natural resources we require, compared to how much the Earth can provide. The other is the “law of tolerance,” which is defined by how much of our waste we can tolerate and how much the environment that supports us can tolerate.

If we acknowledge that these laws apply to us and develop ways of living within them, human beings may yet thrive for tens of thousands of years to come. Such a future, however, requires that we acknowledge the fundamental change that has taken place and make the necessary choice to shift from a growth based economic system to a mature one that factors planetary limits into what we do. We have never had to deal with such limitations on anything but a local, far more limited basis. Consequently, we lack awareness of the immensity of the problems and our present governmental systems have few structures even to sense our infractions of natural law, let alone respond appropriately to them.

Is the magnitude of our carbon dioxide emissions an infraction against the law of tolerance? If the CO₂ waste from burning fossil fuels is creating a climate that will be hard to tolerate, we are guilty. Despite overwhelming evidence that carbon emissions are raising global temperatures, the argument is often made – by corporations with vested interests in limiting their expenses – that climate change is not our fault. This denial of massive amounts of evidence is used to sweep away objections to the aspiration for endless growth. Regardless of what individuals think about climate change, it is only one symptom of the fundamental problem. Overflowing garbage dumps, smog and the trespass of toxic chemicals in our bodies are also evidence that we are living on the wrong side of the law of tolerance.

In the same way, we have not begun to deal with peak oil, which is the point where continued expansion of fossil fuel use is no longer possible and the amount available begins to decline. Our consumption habits are breaking the law of the minimum. Similarly, depleted fisheries, rivers that no longer reach the ocean, soils dependent on manufactured fertilizers and looming shortages of various rare earth metals such as rhodium and palladium, widely used in electronics, are all becoming limiting factors.

The news is full of the many ways in which we are playing loose with natural laws. Less clear and less appreciated is how the recent economic downturn also signals that human activity is pressing planetary limits.

Economic post-maturity and non-material growth

Throughout most of our planet's history, human activity was of little consequence to the Earth. Our activity expanded slowly for a very long time before we even realized that there are planetary limits. When I was born in 1951, human impacts were less than one quarter of what they are today. At that time, there were three times as much untapped resources and open space to absorb our waste than we were using. It was like having three additional worlds with the same water resources, climate, atmosphere and life forms that we were accustomed to exploiting, right at hand to grow into. And grow we did. We doubled our activity by the 1970s and doubled it again by earlier this decade. We are tapping into nearly the entire world's remaining resources. In some cases, like fresh water, fossil fuel and the ability of the

atmosphere and oceans to absorb our waste, we are diminishing available resources faster than they can be replenished.

Today, public policy in every part of the world continues the same sorts of expansion and over-use. At 3% growth, considered minimal for economic health, economic activity would double in 24 years. This means that over the next generation, we will need the equivalent of another entire additional planet to exploit. It is critical to acknowledge that no such option is available. Even if such a planet existed, in another generation, those resources too would be exhausted.

For want of additional planets to expand into, our economic system is challenged to find ways to continue growing. Enter the bubble economy. Because it has become increasingly difficult to continue expanding material and energy use, the growth system has come to rely on inflating prices and expanding volumes of financial transactions. When a house worth \$100,000 is sold for \$150,000, and then for \$200,000, then \$250,000, \$300,000, \$350,000 and so on. The price rise provides no additional shelter, yet home owners borrow money to spend on their increased equity. Gross Domestic Product (GDP), the total amount of money changing hands in the society, registers growth even though there is no additional material wealth to back it up. Until the housing bubble burst, this process kept the economy 'growing'.

When the fright of 9/11 shook the USA, Americans stopped borrowing money to expand consumption. Many stopped buying anything that wasn't necessary. If it was true that they were under attack, caution was in order. Soon after the event, President Bush addressed his nation "America is under attack," he said, "Get together with your families; go to the mall and shop." While this was a logical request, under the circumstances, Bush's call to action was mostly ignored and it looked like the US was headed for recession as people opted to hold onto their money. In the absence of continued increases in consumption, interest rates were lowered to practically nothing, hoping that low rates would stimulate enough borrowing to do the job. That didn't work either. Finally, economists close to the administration realized that there were a lot of people who dreamed of owning their own homes, but had not been able to afford down payments. Offering mortgages without the need for a down payment caught people's attention. In some cases, to move these "sub-prime mortgages," even the requirement that borrowers have an income was dropped.

Lots of people bought in. With each mortgage signed, a hundred or two or three hundred thousand dollars or more went into circulation and the economy was saved – but only for a while.

To understand why such extreme measures were necessary, it helps to have a sense of how much growth is needed to stimulate and maintain the financial economy. With Global annual GDP at over 60 trillion US dollars, the 3% increase requires a lot of new business - \$1.8 trillion worth, this year alone, in addition to repeating the 60 trillion.

\$1.8 trillion would cover all the food, water, shelter, education and health care needs of the underdeveloped world thirty times over, as calculated in the United Nations' Millennium Development Goals. Not only is the project of eliminating human need too small to solve the economic juggernaut's need for expansion, but poor people have no money and therefore cannot help at all in stimulating the economy. So for governmental planners focused on economic growth, the poor tend to be ignored.

Efforts to continue growing materially while we press against planetary limits will be repelled as surely as the North poles of two magnets cannot be pushed together for long.

Those who continue to promote the present system believe that the economy will be able to double and double again and again by pursuing non-material growth. Increasingly, since the 1970s, in addition to inflating housing prices, non-material growth has been delivered by expanded trade in stocks, commodity futures, credit default swaps, foreign exchange forwards, synthetic collateralized debt obligations, e-minis and other derivatives.

While some non-material growth is possible in education, preventative health care, the development of computer programs, intellectual property, music, and the like, such businesses are not up to the task of providing \$1.8 trillion in new economic activity and more each year going forward. As the economy operates today, there is little apparent difference between non-material growth and financial bubbles. The Earth cannot support an exponentially expanding material economy. So the system has come to rely on financial bubbles to give the appearance that all is well, the economy is growing and change is not necessary.

Truth be told, it has been some time since the Earth has been able to provide enough real wealth to back up our growth-based economy. Hence, financial bubbles are becoming bigger and more frequent and expansion based on material resources is causing ever more problems (Footprint Network [Web reference](#)).

The growth hormone of society

Central to the problem of outgrowing the Earth is the way in which our society creates money. Practically all the money with which we buy and sell things is created when loans are made. Coins and bills are the exception, amounting to only 2 or 3% of the money supply. They are manufactured and spent into circulation for small purchases and making change.

The vast majority of our money is interest-bearing debt. As such, it must always be repaid in greater quantity than is created when the loans are made. Since the money in circulation, not counting coins and bills, is the same as the amount of loans outstanding, there is not enough money available to pay back all those loans plus the interest charged on them. This is not too big a problem as long as the interest can be covered by greater volumes of loans made each successive year – through growth.

If, one year, for any reason, a greater quantity of credit is not issued than the year before, there is not enough money to be earned for all loans to be repaid with their interest, and some loans default. Businesses go bankrupt, jobs are lost and homes foreclosed. If the scale of defaults is large enough then people are spooked, they stop borrowing for new enterprises, larger houses or general consumption, and the economy slides into recession. Avoiding recession is why George W. beseeched the American people to go shopping following the 9/11 events.

In figuring out how to secure humanity, without overwhelming the Earth, it helps to remember that wellbeing is not about money. Money is a medium of exchange that enables large numbers of people to trade easily with each other. The real source of wealth is the knowledge and skills that people have and our willingness to work and to trade with each other. These factors can be maintained as long as there is good will and, as we move into the new millennium, we need also to account for our natural resource requirements and production of waste.

Throughout history, there have been many examples of currencies, which enabled people to trade freely among themselves, without the compulsion to expand (Alternative currency [Web reference](#))

It will take a lot of conversations and planning before our collective will comes together in sufficient quantity to change the monetary system. There are other steps that will be easier to implement.

- *A Genuine Progress Index*, for example, would maintain public accounts to track social and environmental factors in addition to those that track changes in the economic system. This would make it much easier to detect problems before they become chronic and difficult to halt or reverse.
- *Full Cost Accounting* would require prices to tell the economic truth about products. Not only would prices reflect the essential costs of producing goods, they would also include costs associated with the resource and waste problems caused during production, distribution and disposal. Such accounting would list transportation costs for raw resources and distribution of finished goods; and would include costs of recycling or otherwise disposing of components of products at the end of their useful lives. Such accounts would lead manufacturers to develop the most environmentally benign products, in terms of long-term wellbeing. Full cost pricing would then make those products the most affordable choices for consumers.

Both these institutions would lead to better decisions at all levels of society.

The Final Stage of the Global Monopoly Game

Much can be learned about our economic system from the board game modeled in its likeness - Monopoly. Most people have played the game, and most end the game when there are no new properties to acquire and it has become obvious who has enough property and wealth for an absolute advantage. According to the rules, however, the game is not over until all the property that was acquired by the losers in the earlier stages of the game have been mortgaged and lost to the winner. When the winner has it all, only then is the game over.

In the real-life, Global Monopoly Game, losers face the serious consequences of going bankrupt, losing their homes, being unable to afford to pay for healthcare and starving. When they are pushed out of the game, there are few "real world" equivalents of going to the fridge to make a sandwich, or phoning a friend to chat. The winners, however, are having a great time and don't want the game to end.

As long as there are new frontiers (unclaimed properties) around the board, any player can luck into new resources that give them a chance to keep playing. Similarly, in the global game, as long as there are new frontiers with new resources, those losing out in the established game can move to take advantage of other opportunities. As new frontiers dry up, however, for the winning to continue, wealth must be extracted from others less fortunate, until the winners have it all. Cutting back on public services and the privatization of public resources are indicators of this stage of the game.

A case can be made that the Global Monopoly Game has been won by the small percent of the players who are now wealthy and powerful. Perhaps we should formally recognize the winners,

congratulate them, pass out some prizes, pack up the game and play something else that is better for the majority of players and our planet.

A New Game

Now that humanity has reached a mature state, perhaps long-term wellbeing, rather than owning it all, could become the objective of our economy. While we need to discuss what rules are appropriate, the following list of criteria, derived from a four-year study of what citizens' organizations think is important (Importance for wellbeing [Web reference](#)), provides a starting point.

Well-being can be sustained when activities:

1. Use materials in continuous cycles.
2. Use continuously reliable sources of energy.
3. Come mainly from the qualities of being human (i.e. creativity, communication, coordination, appreciation, compassion, and spiritual and intellectual development.)

Long-term well-being is diminished when activities:

4. Require continual inputs of non-renewable resources.
5. Use renewable resources faster than their rate of renewal.
6. Cause cumulative degradation of the environment.
7. Require resources in quantities that undermine other people's well-being.
8. Lead to the extinction of other life forms.

I invite readers' inputs:

- Do these points make sense?
- If not, with which point or points do you disagree?
- For what reason(s)?
- Is there anything missing?

When these criteria are used to assess things, two fundamentally different types of economic activity become apparent. One type requires continual inputs of non-renewable resources and produces problematic waste. Transportation systems and discardable consumer goods are examples. The other type consists largely of creativity and good-will, like education and most health care at the preventative level. While there are almost no physical limits to the amount of education and preventative care that we can have, there are serious limits associated with resource intensive industries. It is also significant that, more often than not, organized conflicts are about access to resources or who has to deal with the waste.

Using this new definition of success, three potent steps can dramatically reduce human impacts on the Earth and usher in a long period of ecological stability.

1. Redirect the knowledge, imagination and engineering expertise that presently go into designing for obsolescence, to the design goods that are durable, easily repaired, and recyclable.

2. Instead of using our media to encourage people to throw things away and to buy new stuff, we could use those same talents to reclaim an appreciation for durable and familiar products.

3. Finally, if we search for personal fulfillment in what we can do with our lives, such as learning, love, laughter, friendship, art, music, dance, sport, appreciation, service, and the like, rather than accumulating and consuming material goods, we could have more real satisfaction while minimizing resource exploitation and waste.

Such steps would do wonders for securing the future, yet they would be disastrous for a growth-based economy. This is the sort of contrast between *the external order of society* and *moral standards* that R. H. Tawney noted in the opening quotation. We either have to increase the size of the Earth, or re-organize mutual provision (the economy) so that we can all share in the necessary work and revel in the new security.

A Question of Direction

There are many ways to reorganize mutual provision to serve a mature (post growth) civilization, but it is getting harder and harder for the Earth to provide ever more resources and absorb ever more waste. Do we want to grow until we drop, or develop a mature economic system? It is a question of direction. This is not a trivial question. Getting the answer right will determine the well-being of our children and grandchildren for centuries to come (Question [Web reference](#)).

While the changes involved in choosing to develop a mature economy are ponderous, there is a precedent for such change in the experience of practically every person who has become an adult. Life does not end at physical maturity. Indeed, one can argue that our individual lives: our relationships, knowledge, talents and skills, scarcely begin developing before the task of growing up is complete. As a mature species we should be looking forward to countless millennia where our material needs are provided for by respectfully integrating our activities with the material cycles that have sustained life over the millions of years on this planet prior to the development of modern human culture. Along with developing more sophisticated ways to serve human needs, using fewer resources and producing less waste, there are endless opportunities for amusement, adventure and personal growth among the wonders that being alive offers.

While a utopian future is a logical possibility for a creature as gifted as humans, we have to quickly recognize our new maturity and start respecting planetary limitations if we are to avoid much less pleasant prospects.

As continued expansion results in more trouble, more and more people are talking with friends, family and associates about the problems and possible solutions. Bookstores are carrying more books on the topic, speakers are making the rounds and the Internet is streaming countless articles, blogs and videos exploring the many aspects of the coming transformation.

The final stage, before society as a whole aligns itself around the new goal, will be a clear shift in legitimacy – what it means to be a good human being.

A new legitimacy

We must work together to bring about a better, more sustainable world. Change in what is considered legitimate is ultimately what brings about society-wide changes. Rebellious attitudes do not override the fact that without a society, humans could not survive. Imagine taking a

backpack full of tools into the wilderness with the intention of staying there by yourself for two years. While some might survive the ordeal, they would have done so with tools that other people made and with the knowledge of how to use them that they had learned from their society. Even the words and the concepts that we think with we get from our society.

A person without a society is like a computer without an operating system. We have tremendous potential, but without information, or people to cooperate and trade with, we are helpless. At a very deep level we know this and want desperately to belong to our societies. The price of admission is to subscribe to the value system of society.

For the last century or more, 'good' people were those who worked to earn and spend as much money as possible. Millions of citizens following these directives made society ever stronger and more resilient by expanding the economy. Before that value system started to fade, maxing out one's credit card became a noble deed, as such action put money into circulation and made the economy grow.

Change is in order, however, as we touch the threshold of planetary limits. The old values are now causing problems. A new legitimacy is needed. Now to make our society strong and resilient we need to live lightly on the Earth, gather as much satisfaction as possible from the potentials that living offers, and manage the material world in a way that will enable future generations to do the same.

At present, a giant battle rages for the hearts and minds of the population. On one hand the problems of our full Earth are intensifying. Knowledge about the problems and how to deal with them is expanding and spreading, stimulating more and more people to think about the options and to engage in conversations about what we should do. At the same time, more than a billion dollars is spent every day on persuasive media, encouraging people to seek satisfaction by acquiring more stuff.

At stake is how the future will unfold. There is no doubt that compounding problems will ultimately shift what is seen to be the best and most legitimate behaviour. The question is how long until these shifts takes place? If they come sooner, we can take the Internet with us into the future. If they don't happen until the consequences of current policies arrive in our back yards, we may have trouble finding shovels.

Each of us has a role to play, first by considering the options ourselves and then by extending the conversation to others. Are we really challenged to recreate society in a mature form? The realization has to move from the cerebral "this is obvious" stage to a heart felt motivation for action. It has been said it takes seven years for ideas to move from the head to the heart, from which action springs. This is a long time under present circumstances. We transform consensus reality and move more quickly when we find out how much others care. Ask around. Watch for answers such as "Of course, but it will never happen" or "I understand, but others won't." Such replies indicate understanding that has not yet reached the heart. Communicating about the choice will reveal that the new legitimacy is already well understood. Recognizing the shared understanding helps the challenge move toward the hearts of all involved.

When, as societies, we answer the question of direction, we will find that we have a capacity for resolving today's problems that is far beyond anything we can imagine. Everything that humans do is in someone's hands. Every decision comes from a human mind. When we collectively recognize the reality of our new maturity, our remarkable species will prove more than equal to

the task. The sense of futility that so many feel is simply inertia from our long growth phase. Throughout that time, we didn't know any better. Now we do.

The choice to accept mature responsibility has to be made. It will be made. How soon we make it will determine the future. We owe our wholehearted response to the thousand of generations that struggled to bring us to this point and we owe it to our children and grandchildren and all future generations to resolve the contrast between the external order of our society today and what we sense through our conscience and reason. In return, we can expect a life that offers us less stress and more fun. It's not a bad choice, but it requires that the conversation spread.

Are you prepared to join this discussion and contribute to action plans for transforming our planet? Our world depends on it.

References

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Mike Nickerson was co-director of the Institute for the Study of Cultural Evolution, which developed Guideposts for a Sustainable Future, published in 1977 under the title *Change the World I Want to Stay On*. His books include *Planning for Seven Generations* and *Life, Money and Illusion; Living on Earth as if we want to stay*. Mike coordinated an initiative to establish a Genuine Progress Index for Canada. He is the Executive Director of The Sustainability Project and makes presentations and facilitates meetings on "how to live on Earth as if we want to stay". He supports his interest in cultural evolution doing [custom woodwork](#). He would like to spend more time growing things.



Mike Nickerson is the founder of the 7th Generation Initiative, which encourages people to become better informed (<http://www.SustainWellBeing.net>) and provides materials to help individuals introduce the Question of Direction to others: (<http://www.SustainWellBeing.net/seeds.html>).

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