

Addicted to Growth: the Economy's Road to Perdition¹

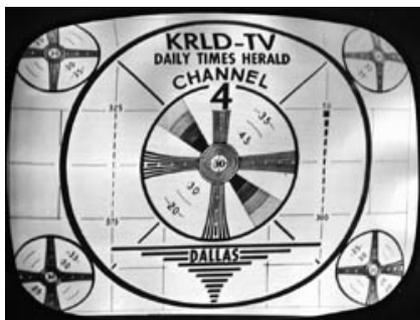
Sustainability laws and the planet join in a merciful Coup de Grace and engage the emergency brakes

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Time flies. It's almost like yesterday that in my street in the 1950's, in post-war Holland, I would run out of the house as a five-year old whenever I heard the clickety-clack of hooves, announcing the arrival of the greengrocer and potato-man, or the coming of the milkman. And running I did: awaiting me was a ride to the end of the street, holding the reins of the Dutch Draft, while the horse would break wind with every other step, sending me into unstoppable fits of spontaneous laughter.

Indeed, time flies, and it doesn't seem fair: I still regard myself as very young, but the Gen-X and Gen-Y folks quietly smile and decently look the other way without letting on when I raise the issue of my age.

I guess I was born just in the nick of time to remember a period before the greengrocer acquired his motorised van and the *Driving Supermarket* was born in town – a period that seemed to exist eons before the term "economy" was invented, before even 'radio' was anything else apart from officially scripted lines spoken by stately announcers or newsreaders too conscious of their official town-crier status – all of them followed by



too frequently aired classical music or some traditional jazz – the *worldly music* of those who did not go to church every Sunday. Television was still something you watched with your nose against the window at *Schueler the Electrician* where my oldest brothers worked, not feeling disappointed at all if all you would be watching was the test pattern: a static circle with arched squares showing various grades of grey that never even moved.

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- Barbara Ehrenreich & Bill Fletcher Jr, [Rising to the Occasion](#)

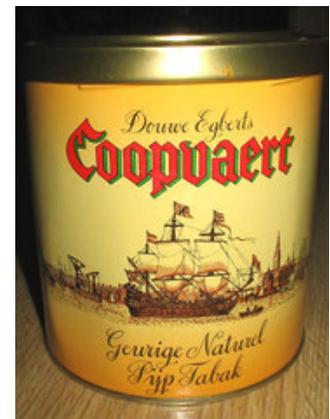
¹ This essay has also been published online at <http://www.safecom.org.au/globalcapitalism-crash.htm>

In those days every small merchant in my thrifty hometown owned the store in which they sold their bread, their cheeses, yoghurt, milk and butter, and where, as in the case of the butcher, the smiling owner offered me a generous piece of *liverwurst* without fail when I did the weekly shopping for mum. And soon after I helped the baker after school and increased my pocket money a little, I would develop a habit of visiting almost all shops and the various small assembly or packing workshops throughout my town, just to check out what they did and how they did it, and I would confirm with them that they all had a mark-up of around 25% for all their products on display in the *etalage*.



I helped the antique furniture maker, I strolled all the way to the harbour and picked up the lost cocoa beans from the road near the chocolate factory and tried to eat them, stuck my head around the door of *Langman's ropewalk* to greet the two boys making cables and ropes for the ships, and I walked to the other side of town to the factory where they made buttons for clothing. I even dared walking into the strangely-sweet smelling factory and warehouse of the

Gruno where they – on behalf of *Douwwe Egberts* and others - processed and packed tobacco for pipes, cigarettes and cigars. At lost moments I helped the man in the tiny shed around the corner who churned the butter, helping him to wrap the cold butter cubes in the grease-proof pre-printed paper, hoping to find *my special folds* back later in the week at the greengrocer's, and too often I annoyed the type-setters at *Callenbach Publishers* where dad worked: I was discovering that developing a relationship with the many small merchants in my hometown was part of my way of standing in the world, one of pride in the Dutch and love for our nation which had survived so cruel a holocaust, one that was rebuilding and growing new hope and a bright future.



But with the arrival of the *Driving Supermarket* had come a change, I sensed. The owner was not always the man who drove the motorised van you could walk into to select your groceries, milk and vegetables.

Accompanied by this serious play I moved through my childhood, where I had heard Nelson Mandela and Walter Sisulu speak on current affairs radio before their arrest and imprisonment, and I listened to Dr Martin Luther King's speeches before his murder, before changing into an adolescent, watching *Apollo 11* land on the moon from the beautiful Swiss chalet where dad and mum had brought us for our very first out-of-country summer holiday, a marker of their improved financial welfare. Europe had re-

emerged, the welfare state had risen, and a systematic appraisal of life's new post-war luxuries had quietly developed into *the advertising industry*.

I watched it develop with an innate suspicion: my childhood had provided the training to discern between the goodness of honest small-time commerce and thrift, where indeed *small was beautiful* almost two decades before Fritz Schumacher wrote his book, and an emerging industry that was designed to make us believe we could not live without a television, a better radio, an automatic washing machine, a family car, and then a holiday chalet, a holiday at the *Cote d'Azur* or *Barbados* where you would arrive in a jetliner, and the monthly mail-order catalogue that would jam up the mailbox in the garden.

What had begun as a hope for Europe – the promise to rebuild under the Marshall plan, followed by the rise of the welfare state, was slowly developing into the monster that has just shown itself so big and powerful, that most countries in the western world, now having convinced the developing world of the same need to be part of the *capitalist mode of production*, with the help of multinationals fiercely cultivating in these countries the same hyped-up need for luxuries and goods and services through which the western world was claiming its own tremendous successes since WW2, are scurrying to feed the monster, feed it again and feed it even more. We find ourselves addicted – to the tune of trillions of dollars – to the notion that our world economy is in serious peril if our balance sheets do not show growth and expansion on a continuing basis.

Of course all western post-war nations walked into the trap, and many rulers did this with open eyes. Very early on, the promises of a better welfare system by politicians were developing into promises of better service delivery and the lure for voters of more goods and infrastructure, needing a higher financial input – and the merchants, having become national or international companies, were bidding their wares, tied to promises of more employment and the rise of the *gross national product* as a measure. Many politicians in virtually all governments, *all the Kings men*, could now trade these promises for votes, and secure their own career and electability over time. Before we knew it, the improvement of society and consolidation of a goodly coherent community had become almost entirely replaced with employment, services, infrastructure and commodity promises: the allure of *a growing economy* replaced *the notion of community*, and post-war well-being was slowly replaced with the precursors of the commodification of human beings, instruments as they were in this system that created all the promises. The economy had become *the golden calf* of the body politic.

Soon I had migrated to Australia where we were arrived at the 1980's with its economic optimism – *economic rationalism*, that uniquely Australian term that makes you loathe Labor's PM Paul Keating when the term comes into your mind. Because, our monster had grown from a child we played – and toyed – with in the 1960s and 1970s, into an adolescent, and it was stubborn and self-willed at times. Under Bob Hawke and Paul Keating we may well think to have gained from the deregulation of the Australian dollar, but the privatisation agenda was aggressively pushed by the Canberra mob on

both sides of politics, who were prepared to sell *the family silver* in fear of an escalation of government expenditure on public service provisions.

Privatisation *seemed such a good idea at the time*, but it set in place exactly those conditions that were needed to benefit *the wild-west sharks* who played dice with the livelihoods and finances of ordinary mums and dads, preparing the road for John Howard's call for the *mums and dads investors* to start playing the stockmarket. While politicians and their supporting commentariat – the economists – are only too eager to blame the American margin lenders and shonky finance sharks now that the wheels of the wagon are coming off and our financial world crashes, we have not even come to realise the exorbitant social cost of the other feeding breast of the monster, the privatisation of government services and institutions: banking services (wasn't the *Commonwealth Bank* once Australia's government banking service?), rubbish collection, water provision, power and electricity companies, telephone services, postal services, jailhouse services, policing services, employment services. Will service delivery stop, become selective, or only function in certain areas when these privatised companies stumble, fall, and go under?

Even while in the rise of economic thinking the *cost versus benefit principle* always stood central, the full summation of the cost of manufacture of goods and services had entirely excluded the cost to the environment, and it had not asked about the cost to the earth of the massive load of primary resources that we were extracting, and those theorists who asked what the cost to the environment was in the equation of cost and benefits, remained on the fringe and their views were deliberately marginalised. After all, the new discovery of making massive financial returns from extracting resources from the earth – crude oil, iron ore, minerals – had been projected by the companies promoting this as propositions most lucrative.

It remains extraordinary and incredulous that the most powerful resistance against the inclusion of a full accounting mechanism of the cost to the environment and the cost to the planet and its climate of the relentless extraction of natural resources from it comes from the economists themselves, paired with the chiefs of the companies that are involved in the extraction of these resources. Most economists had been trained and conditioned to be the *yes-men* to the most powerful amongst those in the corporate world.

That incomplete, if not fully denied equation is now coming back to make itself felt in grotesque ways. The planet itself has started speaking up about the pain of human beings having ripped up in aggressive and relentless ways the resources that lived inside its mantle and about the burning of disproportionate amounts of fossil fuels to prepare that what had been extracted for the goods and commodities markets.

Even in Europe the warnings of *The Club of Rome* in the early 1970s had been largely ignored, having been aggressively discredited by resource companies and many politicians alike, but the approach of *Peak Oil* at the start of the 21st century was the first piece of incontrovertible evidence that could and was no longer dismissed as a fairytale

coming from *loopy tree-huggers*: the financial interests of the fossil fuel industries were too central to this issue.

Peak Oil was also raising awareness, more than before, that considered a link of the exhaustion of resources to the well-being of the economy. It could no longer be swept under the carpet, that the ever-growing industrial and resources boom was finite, and that there was an end in sight to the model of our society we had so aggressively promoted since the start of the boom.

So, what now?

The wheels have fallen off the wagon, and the world's politicians are fiercely divided between those who feed the monster billions of dollars at a scoopful in hope that it recovers, and those who think that it's just the wheel bearings that have run hot. Both groups are prisoners of the paradigm or their own making which has kept them elected: promising growth, better welfare, more jobs and better services. At the G20 in London at the beginning of April 2009, a massive operation (that lasted all of half a day at exorbitant expense) of statements and – largely political – agreements, entirely played out before the cameras that would beam their resolve into the homes of their people at home, equally so for Barack Obama, Gordon Brown, Kevin Rudd and Nicolas Sarkozy, they collectively blasted the banks and vowed regulation and a clampdown in a strange and unintended unison with the thousands of G20 opponents who held mass protests outside the venue.

We can safely predict that the politicians will keep doing what they've done so far for quite a while (and a bit longer), because their primary goal is *to be seen to be acting* while millions of jobs are lost, home owners face foreclosure and businesses crumble into ruins. They will feed funds into the economy as long as they can or as long as countries like China are happy to lend more money to the west. They will do so until the entire world will run out of those funds that were generated from the industries that are already crumbling because they are unsustainable and belong to the old paradigm that's imprisoned by its need to increase production to increase output and increase financial returns. Only when there's not a dollar left to lend to anyone, business ventures will develop that live within their means and are based on sustainable use of resources and capital – because then there's not a single card left in the deck in the old mode we've become so accustomed to play with.

Global issues: apply local creative solutions

The monster is not going to get any better. Never. It's dying, and the wheels will not get back under the wagon; in addition, while in Australia we're just getting around to a taste of major climate change events with the January 2009 Victorian fires – not to mention the Queensland floods – we have to count on more fires, more floods, fiercer winds, hotter days and periods; there will be many more climate disasters in the next few decades. Time has come to tread carefully, gently, and to be conscious of the enormous possibilities of the changes and also be aware of the risks.

Barbara Ehrenreich & Bill Fletcher Jr, in [Rising to the Occasion](#)² at a forum discussing the global financial meltdown, state it with eyes wide open:

“...this time the patient may not get up from the table, no matter how many times the electroshock paddles of "stimulus" are applied. We seem to have entered the death spiral where rising unemployment leads to reduced consumption and hence to greater unemployment. Any schadenfreude we might be tempted to feel as executives lose their corporate jets and the erstwhile Masters of the Universe wipe egg from their faces is quickly dashed by the ever more vivid suffering around us. Food pantries and shelters can no longer keep up with the demand; millions face old age without pensions and with their savings gutted; we personally are consumed with anxiety about the future that awaits our children and grandchildren.”

For those of you who do not want to buy into being a depressed and miserly victim, but who are inspired by the thought of walking into a future without the monster, here are some small suggestions.

First, the answers that point to the future are easier than most people think, and the concepts have already been fully developed. I already mentioned Fritz Schumacher’s *Small is Beautiful* in passing, and that brings us back to the notion of ‘staying at home’ and working locally, with local resources, while revaluing the notion of community and loving who and what is around us. It’s not surprising that the Australian national broadcaster’s local ABC Radio in Perth started to dedicate regular airtime to the notion of “food miles” in response to coverage of the notion of *Peak Oil* and rising fuel prices. Incorporating the cost to the environment through the use of fossil fuel for *imported or transported foods* in the national debate falls within the ‘staying at home’ and the ‘small is beautiful’ notion – and it’s getting airtime without sponsorship from government.

Secondly, Rebecca Solnit, in [The Revolution Has Already Occurred](#)³, points out, when asked *whether there is a plan* to get out of the current predicament, that there are many answers and plans already:

“We have thousands of them, being carried out quite spectacularly over the past few decades, for gardens and childcare co-ops and bicycle lanes and farmers’ markets and countless ways of doing things differently and better. The underlying vision is neither state socialist nor corporate capitalist, but something humane, local and accountable -- anarchist, basically, as in direct democracy.

The revolution exists in little bits everywhere, but not much has been done to connect its dots. We need to say that there are alternatives being realized all around us and theorize the underlying ideals and possibilities. But we need to start from the confidence that the revolution has been with us for a while and is succeeding in bits and pieces. Enlarged and clarified, it could answer a lot of the urgent needs the depression brings.”

If anarchists and neoliberals had one thing in common, it was an interest in shrinking the state that socialists hoped would solve things. Right now nothing but that state exists on a scale to

² Delivered at Reimagining Socialism: A Nation Forum, online at http://www.thenation.com/doc/20090323/ehrenreich_fletcher

³ Delivered at Reimagining Socialism: A Nation Forum, online at <http://www.thenation.com/doc/20090323/solnit>

drag us back out of what the corporations and international markets dragged us into, but one of the questions for the long term is about scale. Small isn't always beautiful, but big beyond accountability or comprehension got crazy as well as ugly.

Third, since the beginning of the financial crisis the most frequently read page on our 1,050 page Project SafeCom website, accessed more than 3,000 times every month by our visitors, is [Ten steps to an Organic Permaculture no-dig Garden](#) ⁴ in our sustainability section, a fact seeming to ignore the fact that the central theme of our website has always been about *Australia and Human Rights*. It shows that “going local” for many people means exploring to transform the backyard into a fruit and vegetable outlet that’s created in unison with the sustainability laws of nature.

Fourth: the *Really Really Free Market* [has now also come to Perth](#) ⁵ in Western Australia. Find a local or regional *Really Really Free Market* and get involved. What are they? Well, exactly what their name indicates: you buy things – for free, and you sell things – also for free. They’ve been around since 2003, and according to Wikipedia,

The Really, Really Free Market (RRFM) movement aims to counteract capitalism in a non-reactionary way. It holds as a major goal to build a community based on sharing resources, caring for one another and improving the collective lives of all. ⁶

Fifth: those who will remain capable of investing and who will keep gambling at the stockmarket, will shift and no longer support the old industries that do not support a move to the post-carbon economy. This will assist companies – example being General Motors and others like it – who want to keep functioning with 20th century modelling and products – to crumble mercilessly. Yes, it will cost thousands, millions of jobs, but with a growing local community we need to support each other, and we will.

Sixth: mainstream politicians will be the last ones to join our communities, but we can help them. Work with your backbenchers and those on the cross benches, and make them part of your local events. It’s the best way of bending their ear and shifting their paradigm, because they will need your support and your vote (and you’re not compelled to oblige).

Seventh: support those groups or organisations that keep their eyes open and who have already shifted into the new paradigm: climate change action groups, new media groups and outlets, post-capitalism alliances and projects; and keep an eye out for new initiatives, also – and perhaps especially – those who work online. Remember that also the traditional media outlets are serving the maintenance of the old ways of doing things, supporting the status-quo promoted by mainstream politicians. Blogs, websites of new organisations, who use new ideas and new ways of building community cohesion, even your Twitter and Facebook community, are worth watching. That (yes, it’s a self-promotion plug) also includes initiatives such as Project SafeCom: we were set up for the long haul, also when the going gets tough in the next few decades.

⁴ <http://www.safecom.org.au/permaculture.htm>

⁵ <http://rrfmp Perth.blogspot.com>

⁶ http://en.wikipedia.org/wiki/Really_Really_Free_Market