

THE SCHOOL OF PRACTICAL PHILOSOPHY

INTERACTIVE DIALOGUE OF THE GENERAL ASSEMBLY ON HARMONY WITH NATURE

Discuss different economic approaches to further a more ethical basis
for the relationship between humanity and the Earth

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Mr. Secretary-General, Mr. President, Distinguished Delegates, Ladies and Gentlemen thank you for the opportunity to offer comments in connection with this Interactive Dialogue.

It is upon Mother Earth that we and future generations rely for sustenance and nourishment. In view of growing pressures upon the environment, food supplies and energy resources critical questions arise as to the capacity of Mother Earth to continue to meet our current and future needs.

It has been suggested by the Global Footprint Network that we are presently in global overshoot where our demands upon Nature exceed her capacity to meet them. Expressed another way, in 2008 the world's average Ecological Footprint equaled nearly 1.5 Planet Equivalents; that is, we are currently consuming our resources as if we had more than a single planetary resource.

Whilst millions have been lifted out of poverty in recent years, and there is much more to be achieved, our current patterns of consumption and production are simply unsustainable. Thus far, through Man's seemingly infinite creativity, we have pushed back technological and scientific boundaries to improve the capacity of Mother Earth to continue to nourish and support us. However, it is clear that those boundaries may not be capable of indefinite expansion and the demands of humanity seeking an improved quality of life are in direct conflict with the planet's capacity to meet them.

The issue may be simply stated as whether we can discover the knowledge necessary to live in Harmony with Nature; Or, absent that knowledge, to continue in ignorance with all its manifold consequences.

Our demands, and our needs, are met in a systematic way by what we call an 'Economy' – a complex system that develops organically over time in response to the demands of a particular society at a particular point in its history. Whether laissez faire or planned, on closer inspection we find that this 'Economy' is comprised of a number of inter-related levels. At its root we have the Primary Economy, Mother Nature's benevolent provision of what are described as ecosystem goods and services. Some are non-renewable for all practical purposes, such as fossil fuels, and some are renewable within certain limits, for example, pollination or the soil's capacity to grow crops.

The Secondary Economy is what we generally think of as the 'Economy' and is that part of the system that transforms the goods and services provided by the Primary Economy into the goods and services that actually meet our material needs. The Tertiary Economy can be thought of as the financial goods and services that act as the catalyst that allows the Primary and Secondary Economies to operate. All three levels of economic activity have their part to play but it is clear that without the resources provided by Mother Nature life as we know it would not exist.

Since the advent of the Industrial Revolution we have generally thought of Mother Nature as a resource to be dominated and exploited; Harmony with Nature being honored in the breach rather than the reverse. We know that this was not always the case and the reverence for the Earth is apparent today in the case of certain cultures and indigenous peoples. Indeed, that this Interactive Dialogue is taking place is testament to the need to re-orient economic activity.

Whether we are aware of it or not our activities are governed by Natural Law, a body of law inherent in the nature of things. To the extent that the body of law that we are most familiar with, man-made law, is in sympathy with Natural Law, so justice will be seen to prevail. To the extent that man-made law does not reflect Natural Law, so injustice will be the order of the day. We see evidence of this in the extraordinary wealth of a minority coupled with great poverty, we see exploitation of labor and other resources for personal gain, we see productive farmland converted to industrial and commercial uses in the name of much-needed development and we see pollution of air and water in pursuance of so-called progress. Examples are legion and exist worldwide.

This indicates that the laws within the economic realm do not reflect Natural Law. Accordingly, it behooves us to move in a completely different direction in the interests of inter-generational equity. If there is to be any chance of the millions of have-nots joining the ranks of the haves we need to develop economic practices that will not tax the capacity of Mother Nature to sustain us and the next generations.

How may this be achieved? The groundwork is being laid, the existence of this forum, the Millennium Goals and the discussion of the UN's post-2015 development agenda are all part of the process. The promulgation of specific laws by the nations of Ecuador and Bolivia in connection with Rights of Nature are instrumental steps in raising awareness of the subject on a global level.

To the extent that the dialogue can ascend to a higher level will be most helpful. Indeed, the language currently employed in the subject of economics is worthy of examination since it works at a subtle level as a frame of reference. Characterizing Mother Nature's benevolence as the provision of 'goods and services' reduce her to merely providing economic inputs. Thinking in terms of units of consumption and production disregards the humanity in Man and turns economic activity into a process concerned primarily with generating profits and efficiencies. Where in all of this is the sanctity and magnificence of the natural world? Where in all of this do we recognize that we are just a part, albeit a

special part, of the rich tapestry that forms the interconnected world in which we all live and in which all participants have an equal right to exist?

To move matters forward, Economics, as currently taught, needs to change and our universities are a starting point since the ideas that are developed there will inform the next generation of leaders. The received wisdom is that there are three factors of production, land, labor and capital; yet land gets conflated with capital and its unique characteristics fall from account. Unlike some other resources land is not a commodity and does not respond to increases in demand by an increased supply – its price merely escalates. Whilst land may be re-zoned for an alternative use or marginal land may be brought into production the total stock of land remains unchanged.

That proprietary rights exist in land also has profound implications since access thereto is controlled. Private ownership of something necessarily precludes its use by others except on terms acceptable to the ownership. Whilst market forces, custom or government may have an impact on those terms the fact remains that whilst the ownership of land comes with certain rights it also attracts commensurate duties. Those duties which include an obligation of prudential use may be expressed as a general duty of care and the requirement to pass it on to the next generations in a better condition than it was found. Such duties could be enshrined in law and enforceable in a similar way to rights.

Proprietary rights are not confined to land and are found in other areas of the economy where restricted ownership may operate to the disadvantage of the wider community. In distinction to rent as a payment for use of, for example, land or intellectual property, there is in economics the concept of economic rent. This can arise through exclusive possession of a naturally occurring resource to which access is limited or controlled thereby generating scarcity with a consequent effect upon value. In simple terms the measure of the economic rent is the difference between the cost of access when limited as opposed to what it would be if the natural resource were freely available in its unimproved state. There are credible arguments to be made for the community to recover part of the economic rent for the wider benefit.

Lastly, there is a case to be made for re-examining how so-called economic progress is measured. The standard metric of Gross Domestic Product (GDP) provides one method widely used but is accepted as suffering from a number of serious shortcomings. In the recent oil spill in the Gulf of Mexico the costs of the clean-up count towards economic growth yet the negative impact upon the environment is not brought into account. A system of National Accounts that allowed for changes in environmental conditions to be properly reflected would be a significant step forward. Bhutan's Gross National Happiness index seeks to measure progress in a more holistic fashion and reflects social well-being and quality of life issues. So long as we do not account for the impact on Mother Nature our view of progress will be deficient.

To the extent that it were possible to move towards incorporating some or all of these ideas into a post-2015 agenda there is the prospect of developing an economic system or systems that would enable us to live in Harmony with Nature.

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