

## **Collision Course: Endless Growth on a Finite Planet**

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Reviewed by Richard Slaughter

Over the last few years many – perhaps most - people have become accustomed to receiving a challenging daily diet of unwelcome news. We hear about the futility of recent wars, the spread of infectious disease, climate-related disasters, the seemingly never-ending stream of child molesters, on-line scams and resource shortages. The list is long and varied. What, we often hear or say to ourselves is really going on? What can explain the feeling that at a fundamental level something is seriously amiss in the modern, or post-modern world? There are various explanations. This fine book provides a compelling analysis of one that deserves far wider attention and it concerns ‘the story of growth.’

Those of us who were born in the years following World War Two have, in effect, ridden successive tidal waves of change that have utterly changed the world and transformed its prospects, and our own, beyond any previous comparison. Broadly speaking, however, we are adaptable creatures and just don’t get it. Consequently we share in what may be the most egregious failure of our time – not understanding the nature and vulnerability of the landscape(s) upon which those transforming waves have deposited us. We not only misconceive the tenor of our times as still being in some sense ‘normal’ but have also agreed to a range of convenient fictions. These serve to reassure us by diverting us, dulling our senses and thereby reducing our capacity to act. Whole industries are now based on maintaining these fictions - to our continuing cost.

So how did we reach this point? The old saying that the look back needs to precede the look forward was never as true, cogent and urgent as it is now. For it is only by understanding the nature of these ‘waves of change’ and, in particular, the ways that they have been understood or distorted and set aside that we can gain the clarity to sustain any rational hope for better futures.

Kerryn Higgs’ account traces the intersecting threads of two broad narratives – each representing a particular view of reality. They intersect in many ways to create the contested underpinnings of our fractured present. On the one hand is a narrative that has emerged over half a century as scientists and concerned others sought to understand and draw attention to the growing impacts of humanity and the changes they were exerting on natural systems. On the other is a somewhat older narrative of ideology and power that’s been augmented by more recent innovations. It has grown stronger through political deception, financial muscle and a century of pervasive misdirection through PR and advertising. Up to this point the struggle between these two narratives has been profoundly unequal. Our current difficulties in facing up to climate change, for example, make it clear that ‘power’ has taken nearly every prize and left what might be called ‘species responsibility’ a long way behind.

Higgs explores the collision of these two very different cultures. She shows how well founded and necessary responses to the dilemma of growth were and still are being deliberately and systematically undermined. The single-minded pursuit of profit and growth by corporate and political interests, the strategies and ends they continue to pursue, help to explain why the world now stands at the edge of a terrifying abyss. It is perhaps *the* underlying story behind many of today's headlines. So it's important to note that this is by no means another 'doom and gloom' prognosis. Overall, the author provides some cogent insights and suggestions that, taken together, provide a better chance of falsifying the view of the future as 'a disaster that's already happened.'

The 'story of growth' is, in some respects as old as our species. But, as is now well known, it moved through incremental stages over long periods of time beginning with the advent of agriculture and then taking off with industrialisation. Then, in the mid-Twentieth Century it literally went through the roof. The old constraints on economic activity and population growth fell away and our species became a planet-wide phenomenon. Fuelled by coal and later by oil advances in science and technology enabled us to colonise and then dominate nearly every available niche. Economic history plays a significant part in this story. It includes the invention of the private corporation in early Seventeenth Century Amsterdam - a social entity for which growth was a central goal. When US courts granted corporations the status of a human individual they moved to a new phase of development becoming ever more powerful. Finally it took a further economic innovation to turn the corporation into a world dominating power - the rise of neo-liberal ideology.

Higgs teases out some of the factors and assumptions that underlie an ideology that's become more toxic and regressive over recent decades. Modernity itself, with its belief in progress, Western rationality and the pursuit of individualism, helped prepare the ground. The 'circular logic' through which new growth is sought to solve the problems of earlier growth is brought clearly into focus and connected both with modernity and various economic assumptions. Chief among the latter is the view that the human economy is primary and the global system either irrelevant or somehow external to economic life. It is, as Higgs points out, an astonishing claim when one considers the brief 500-year-old human economy in relation to the 3.8 billion year age of the world system. It is, as she notes, a fundamental 'misperception of reality.' Nor is it the only one that emerges. She traces several distinct waves in the promotion of consumerism in the US during the Twentieth Century. This powerful and enduring social project misconceives both the human subject and the world he or she lives in. She quotes from Bernays' influential work, *Propaganda*, first published in 1928 that 'mass production is profitable only if its rhythm can be maintained... Today supply must actually seek to create its corresponding demand' (p. 71). Here, then, is one of the sources of the 'machinery of enticement' that was perfected in the US and then exported to the rest of the world.

It is not that everyone went along passively with this. While scientists were becoming more vocal about the costs and impacts of rapid economic growth writers such as Galbraith, Packard and, a little later, Marcuse, were also raising

various concerns about the entire process. But efforts to reconsider and rein in such growth were overwhelmed by powerful new commercial forces. Consequently 'over the Twentieth Century capitalism preserved its momentum by moulding the ordinary person into a consumer with an unquenchable thirst for an unending stream of 'wonderful stuff' (p. 78). One of the key achievements of this book is the way that the author carefully describes the means by which this vast effort in social conditioning was achieved, to which I will return below. These efforts were bolstered and supported by changes in ideas and assumptions. The rise of 'free market' fundamentalism, for example, became 'accepted as the primary institution needed to take care of all aspects of public activity' (p. 80). Then, as the ideology of neoliberalism was adopted by a variety of Western leaders (including Ronald Reagan and Margaret Thatcher) its underlying tenets became more widely accepted. These included: a claim to scientific rigour, faith that markets would provide 'optimal allocation' of material goods and that from this would emerge 'prosperity for all.'

Two further macro-processes helped to propel the new machinery of commerce into overdrive: globalisation and financialisation. The former constructed the entire world as a marketplace and facilitated the vertical integration of the rapidly growing Trans-National Corporations (TNCs). The latter operated to translate many social and environmental processes into abstract tradeable entities. Yet in regard to the latter, the author quite rightly asks: 'what kind of efficiency could possible be served by displacing capital from the production of food, shelter... (etc)... and channelling it into speculative derivatives?' (p. 86). She adds that 'the broad acceptance of de-regulation facilitated liquidation of the natural world that the scientists of the 50s and 60s had ... argued needed protection.' Furthermore 'the neoliberal concept for the world economy advocated extending the consumer template to the whole world... So the future of human civilisation' (was) 'viewed through the lens of consumption' (p. 100).

Unfortunately, however, it turns out that the 'cornucopian premise' and 'the consumer route to prosperity' are both 'fatally flawed' (p. 102). Over time it became clear that the earlier promise that 'development' would 'lift millions out of poverty' failed to 'tally with empirical research' (p. 105). Among the reasons for this are that TNCs 'accumulated most of the capital.' Another is the way that international financial institutions such as the World Bank and the International Money Fund were themselves beholden to the same ideology and the same vested interests. They imposed strict conditions on loans to Third World countries which in turn led to spiralling and ultimately unpayable debts. For many the 'debt trap' became more crippling than their original circumstances.

Higgs notes that the Brundtland Commission's remit in 1992 was considerably wider than the neo-liberal agenda of the time. It promoted 'free trade' as a key strategy but failed to secure the kinds of international agreements to make Agenda 21 and its view of 'sustainable development' work. For example, Bush senior refused to sign the framework convention on biodiversity. As has happened many times before and since 'US economic policy would not be subordinated' ... and ... 'no reform of the international economic system was envisaged' (p. 130-2). A useful chapter is also devoted to asking if global 'free

trade' and economic growth have delivered positive outcomes to the world's poor. It has not. While China and India are often held out as shining examples of the success of 'growth' under neo-liberalism it's now clear that most of the benefits have flowed to middle class recipients with little benefit to the poor. Moreover the costs of growth in terms of ruined landscapes, polluted rivers, loss of biodiversity and climate change have, it seems, often been understated. The author quotes Vandana Shiva who suggests that 'chasing economic growth while ecosystems collapse is stupidity' (p. 162). But it is more than that. Behind the multiple external manifestations of neo-liberal economic policy lies a diminished form of rationality supported by inferior values and inadequate worldviews. It seems astounding that such a perverse set of assumptions and practices were able to attain such power and influence.

So it is greatly to the author's credit that she has taken time to investigate exactly how this way of viewing the world emerged and how it became so powerful as to shape the world in its own diminished image. In fact she devotes four chapters to the overall theme of 'persuading the people.' She considers how 'the professionalisation of persuasion' began in the US early in the Twentieth Century, how the concept of a 'fact' began to shift and how, in time, 'facts could be manufactured to suit the purpose.' Consent could now be 'manufactured'. In the process 'the public sphere itself ... became the private property of corporate gatekeepers' and 'the concentration of both economic and political power proceeded unchecked' (p. 170-3). World War Two was a boon for business as it accelerated the 'churn' for products that were soon destroyed and needed replacing. Television emerged as 'a potent new tool' that carried the advertising industry into every home – where it remains to this day. At the same time a 'mushrooming network of organisations' that were funded by business extended into every aspect of education. Looking back it's impossible to avoid the conclusion that neoliberal ideology had spread throughout US society and culture. Higgs comments that, in this view, 'economic growth became the solvent that could neutralise old class conflicts and provide everything everyone wanted without disturbing the distribution of wealth or of power' (p. 184).

The following three chapters on 'the sleight of the invisible hand,' 'the free market assault on environmental science' and 'international brakes on environmental priorities' are, in some ways, the heart of the book. For it is here that the most cogent and telling evidence emerges that the ascendancy of neo-liberalism is nothing less than a profoundly tragic 'wrong turn' in the history of humanity and, indeed, of civilisation itself. Within it we find some of the keys to understanding the present and pathways beyond what I refer to as 'the global emergency.' Here is Higgs again on the essence of the story. She writes that:

In the first seven decades of its efforts to keep the US public on its side during the Twentieth Century, capital pushed the concept of free enterprise as the very foundation of American prosperity. ... After World War Two, business ... systematically inserted its free enterprise ideology into the entire educational structure. Before 1970, the great majority of this corporate propaganda was funded and disseminated in the United States. From then on, the practice

became generalised throughout the world, especially in other English-speaking countries.

She then adds that:

Even though a free market economy is frequently characterised as inexorable and ‘natural’, a force no mere human can affect, the level of funding and application devoted to it would indicate a different reality, one that the business world has known for a century. Neither natural nor inevitable, the free market needs massive advocacy to create, retain, and extend public acceptance (p. 187-8).

What then followed was not merely a continuation of the marketing bonanza and a further ratcheting up of what was already an outrageously over-the-top consumerist nightmare but, even more damagingly, a sustained and multi-faceted assault on the very people, projects and organisations that were attempting to deal with the issues and problems that rapid economic growth had created.

This is not the place to summarise the many details of this sad story that, at times, looks indistinguishable from delusional criminality. Indeed one day it may well be regarded as such in international courts. Meanwhile it is sufficient to say that the ‘machinery of denial’ was created step-by-step, funded from the deep pockets of large corporations and rich business people and rendered into an array of think tanks and other denialist institutions, some of which remain with us to this day. The ‘breakthrough’ that led one genius to declare that ‘doubt is our product’ is a story that has also been researched and told elsewhere (Oreskes & Conway, 2011). Science itself, and scientists in person came under sustained attack. A variety of ‘dirty tricks’ were deployed to undermine both. For example, the American Enterprise Institute is reported to have offered a US\$10,000 prize for a scientist willing to write articles that asserted mistakes and other ‘defects’ in the IPCC’s 2007 interim report.

What is also clear is that while free market think tanks were multiplying within a number of countries international trade and policy organisations were also shifting ‘towards global policy conducted through the lens of business prescriptions without particular regard to the planet or the powerless’ (p. 239). Further, ‘capital was permitted to move across the world with little hindrance’ and ‘economic goals took precedence over all other priorities’ (p. 241). The World Economic Forum and its annual event at Davos are part and parcel of the neo-liberal infrastructure in that they privilege business agendas and international capital and give corporate executives ready access to the political leaders of the day. In this environment ‘free trade’ does not denote ‘fair’ or ‘unconstrained’ trade. Rather it refers to ‘the freedom of business interests to operate without hindrance’ (p. 248).

The proof of this particular pudding can readily be seen in the over-expansion of the financial sector whose esoteric derivatives, ‘credit default swaps’ and the like have created the biggest bubble in economic or any other history. Trade in these

financial abstractions equalled some 50 times the value of actual trade back in 1991. It is obviously far higher now – in spite of the Global Economic Crisis of 2008-9. Higgs notes, as others have, that the sector ‘makes nothing tangible’ and is ‘built on quicksand.’ Yet it continues to grow beyond any rational limits. The rich and powerful have created a complex financial machine for their own limited purposes that transforms real world entities of all kinds with real tangible value into abstractions and then plays with them, conjuring up unreal or fantasy value, without any concern for, or attention to, the wider context. Which is exactly what the Meadows team attempted in their three decade long Limits to Growth (LtG) project (Meadows, et al, 1972).

Higgs very wisely splits this clear and well-defined story in two parts. Early in the book she considers its precursors and beginnings. Then, as part of her conclusion, she considers its significance over the last forty years. As is by now well known the early work was pilloried by many people and by economists in particular. The LtG team was accused of many sins including ‘predicting doomsday.’ But clear, unbiased thinking at the time and careful scholarship by a number of well-qualified observers more recently has made it abundantly clear that, as Higgs notes, it was in fact ‘an alert to an apparently unconscious world to the longer-term consequences of exponential growth as the human enterprise ballooned’ (p. 258).

The fact that this entire line of enquiry was widely rejected by otherwise capable people cannot be avoided. It lies at the very heart of the dilemmas that are now staring humanity in its collective face, so to speak. It also turns out that what the Meadows team called the ‘standard run’ in its world model in fact closely anticipated the path that the world subsequently followed. Here is proof, if it were needed of the veracity and usefulness of the work. It was a gift to humanity that powerful members of humanity did not want to hear because it conflicted with their self-interest and worldview. This is a failure to learn on a monumental scale - and yet the denialist agenda is far from over.

The result is, as Higgs rightly points out, that we are today now facing ‘*extreme versions* of the problems set out by the Meadows team’ (emphasis added). These include ‘accelerating industrialisation, continuing population growth, extensive malnutrition, the depletion of non-renewable resources, and environmental decline’ (p. 281). While a tiny minority of super rich and larger numbers of relatively rich people now have access to more compelling luxuries and diversions ever seen on planet Earth, the Earth itself and many millions of the poorest people are suffering under the weight of this accelerating assault. There is no doubt in the minds of those who are currently tracking the changes that natural systems are beginning to shift and will, in some instances, reach abrupt tipping points that will involve untold human suffering. So what can be done at this very late point? Here are some of Higgs’ suggestions.

- Tax advertising heavily as a public nuisance.
- Reduce consumer-driven growth.
- Pursue a different kind of economy – one designed to meet needs rather than create them.

- Disturb the business universe and the tales of progress and prosperity it feeds us and substitute alternative visions and ideals.
- Restore democratic norms (including ending the assault on science).
- Abandon the consumerist path and the reduction of choices to monetary terms (the consumer template for the human future having outlived its usefulness).
- Re-distribute social justice both within and between countries.
- Develop a plan for the First World to reduce its material demands.
- Invent pathways to solutions for these problems.
- Challenge manufactured truths and advance a sense of reality.
- Revise the use of GNP as a measure of wealth and / or wellbeing.

It will be obvious to the reader that my view of this book is that it should be read and considered as widely as possible. To that end I hope that the publisher sees fit to soon publish a second soft-cover edition. Were that to happen I would also ask the author to bring into this exemplary narrative a further thread that I think brings great clarity but which, thus far, does not appear to have been considered.

I refer to the way that certain very specific values and worldviews have appeared countless times in the present work but have not been clearly named and discussed. For example, mercantile values incorporating notions of profit, expansion and growth can and should be contrasted with stewardship value that emphasise caring, responsibility and longer-term thinking. Similar contrasts can be found by comparing socio-centric worldviews (those that take human society as the primary focus) and world-centric worldviews (that accept the primacy of the global system) (Slaughter, 2012). Such distinctions are not esoteric. In fact they would bring a new level of clarity and incisiveness to this already impressive work.

We are facing the prospect of a ruined world so we need to bring our very best to bear on dealing with these issues before human preferences are overwhelmed by vastly more powerful forces.

## References

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