The Future of Growth, Economic Values and the Media

Chapter Fourteen

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1. Power - The Dominating Factor in World History:

Experience of human history has shown the dominance of power by the powerful over the powerless. Experience and the wisdom of the ancients have also shown that power is driven by greed and selfish interest. Africa's relationship with Europe and America since 1472, when the British slave dealer John Hawkins Landed on the shores of Guinea and took black slaves off the coast of West Africa, has remained that of conquest, slavery, colonialism, neo-colonialism, exploitation in unimaginable forms.

Energy and Drive for Resources - Reason for the Conquest of Africa

The drive for energy and resources from Africa and elsewhere for Europe's use was guaranteed through forced slave labour of millions of blacks to work in the plantations of the white masters in the West, the Indies and then Americas. Over 10 million slaves were exported out of the African continent from the 15th to the 19th Centuries. With the abolition of the slave trade and the arrival of the industrial revolution of the early 19th Century in England, necessary resources required for powering the engines of locomotives and industrial machines were available in Africa. this discovery formed the beginning of colonialism to exploit mineral resources including, cotton, uranium, cocoa, palm oil, palm nuts, potassium, feather, zinc, coal, iron, oil, gold, silver to feed the needs of the factories of Europe. This made the scramble and partitioning of the African continent possible as the 1885 Berlin Conference prescribed.

The Era of Independence and the Beginnings of Globalization:

With the end of the Second World War in the mid 1940's, traumatic challenges worldwide and a new climate of accommodation and forced respect of people's rights had initiated the birth of the United Nations which spoke of a Universal Charter for Human Rights and Freedoms for all peoples. The sudden but unprepared decolonization process of the post war period led to the independence of many African countries from nations from

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colonial rule powered by France, Britain, Spain, Portugal, Italy and Germany. In the new circumstance, challenges to economic growth, competitiveness, the cold war, energy policies and political interests led to grave conflicts in many cases. The war in the Congo, the wars of Biafra, Sierra Leone, Liberia, Zimbabwe, Angola, Mozambique, Sudan and Uganda may be given other labels, deep seated however, on the reasons of energy drive, resources control, exploitation, economic growth aspirations as backgrounds for these conflicts which turmoil aggravate national interests. In most cases, the media was used as a cover for blackmail, sabotage, diversion, outright misinformation and even lies in the service of political, corporate and economic interests.

The Club of Rome and the Limits of Growth:

The outstanding feature of this age is the '*global revolution*', a term first used by the Club of Rome as early as 1972 to describe a phenomenon to which the following facts and aspects are particularly relevant:

- Rapid changes in production methods, technologies, social and political organization, culture, human values and the 'natural environment' have taken place.

- These changes are experienced in different ways by individuals and social groups depending on the level of development of the community in which they live. Frequently, the transformation process affects only some aspects of social systems, especially when it is induced from outside. True, major social upheavals have always been preceded by philosophical-moral ideas, which during the evolution of the industrial societies technical innovations have clearly generated some momentum of their own which the human awareness, our mores and our political and institutional systems have difficulty keeping up with. Empirical evidence can be furnished to show that such a discrepancy becomes especially problematical when technology is transferred, usually only partially to other social systems. This 'simultaneousness of things not genuinely simultaneous' in a world becoming increasingly networked in the technical sense leads to an overall situation that is highly sensitive to irrational actions and could spell the system's total collapse. The very real danger of ecological disaster is a palpable example of this (K. Mannheim).

The present-day critical and ever lamented situations time and again are clearly not the result of economic crises in the traditional sense of the term but a global 'crisis of values' and flaws in the whole social system and

corresponding defects in the control mechanisms. The demand for natural resources which poses a threat to the whole of mankind is chiefly the result of three interdependent processes, viz;

- a horrendous waste of non-renewable resources in the industrialized societies,

- the still largely unbridled population growth, for the most part in the agricultural regions of the Third World, which is exacerbating the already delicate balance between man and resources in those regions, and

- the dramatic, excessive burden on the environment's capacity to absorb pollution which is causing manifest damage to the ecological balance on a global scale.

The problems arise primarily from the fact that traditional value concepts and notions of living standards and consumer behaviour are no longer consistent with the strategies of a 'civilization permeated by science', that technologies, forms of social organization and inter-human relations seem no longer to 'function' in systems. Thus the main objective of a crisis management strategy must be to minimize such 'incompatibilities' by enhancing the awareness of individuals and groups and by correcting deficiencies of system control on an international scale. Such adjustments should, where possible, be consistent with market requirements.

The Present Ecological Crisis has Two Main Sources:

- One is the still prevalent view that man can exploit nature without restraint and that all things technically feasible should be put into practice. From the scientific, political and socio-ethical point of view these arguments have long been challenged but without this change of attitude having yet had sufficient an impact on economic and social policy.

- The other is the survival of structures and modes of conduct that were considered quite rational in one context but have lost their meaning as a result of endogenous or exogenous changes in other parts of the system. This applies, for instance, to efforts to maximize production at any price, which is understandable in a deficient society. The desire to have large

> numbers of children, too, was rational before the revolutionary advances in the field of hygiene and medicine. But if people still cherish that desire when circumstances have changed, continuing population growth represents a direct ecological threat. Adequate control of the system must primarily serve to reduce the contradictions between the rationality of the individual and that of the society as a whole.

It is necessary to draw from our analysis of the problem and our socio-ethical deliberations conclusions for the different levels of responsibility in the community. In doing so the general approach is not characterized by a radical rejection of technology and economic growth as variously called for. Without the many achievements in the field of engineering and without the development of a productive market economy it would not have been possible for many people today to live without fear of the deformities of nature that pose an immediate threat to their existence. Without technological advancement and economic growth, it would not have been possible for humankind to multiply and benefit from their biological life instead of dying prematurely of starvation or diseases which can be combated. The following conclusions favouring the further development of economic and social institutions as well as technology leading to a community life that is more compatible with the environment, are based on these ethical deliberations.

Conflicts Are Pre-Determined:

It cannot be assumed, however, that agreement on new global institutions and the introduction of necessary structural changes in the industrial and developing countries are possible without conflict. Conflicts over 'short-term' versus 'long-term' economic advantages, conflicts over who bears the cost of basing the economy on ecologically sound principles, are unavoidable. This also applies to conflicts ensuing from the necessary dismantling of the political and economic monopolies of privileged groups in developing countries. What is required are procedures for the rational settlement of conflicts within the framework of the democratic institutions of a country which respects the rule of law.

Ecological problems, too, cannot be mastered with the police-state methods of an 'eco-dictatorship', quite apart from such other considerable ethical misgivings as human rights, because it is essential that the majority of the population voluntarily appreciate the necessity of changing the general conditions and systems of incentives and that they are willing to carry out such changes in their own lives. The social teaching of the Church can help

by, on the one hand, making people aware of the problem and, on the other, urging that conflicts be settled by peaceful means.

Consequences on the International Level

(a) In the case of some resources ('goods common to mankind') which might be jeopardized through unrestrained economic activity (extinction of certain animal and plant species, climate stability), international agreements are necessary to impose constraints on their use. Existing agreements must be implemented at a faster rate, verification of their observance approved, and they must be extended to new areas.

(b) In the case of resources which up until now have been used without restriction but which in fact are scarce and thus likely to be overexploited (e.g. fish stocks), international agreements (on catch quotas for instance) are needed to limit their exploitation. At the same time monitoring systems will have to be created to thwart attempts by certain countries to circumvent such agreements (whale hunting, ostensibly for research purposes only).

(c) Trans-boundary pollutants (for instance, CO_2 emissions, CFCs) must be made the subject of global agreements which commit the countries causing the pollution to keep their emissions within prescribed limits.

(d) Up to now the General Agreement on Tariffs and Trade (GATT) has contained no reference to 'the environment', which shows how little people were aware of such problems when the agreement was signed in 1947. But since a member of GATT may resort to environment-friendly measures that affect international trade only when the ecological impact is felt in its own country (e.g. a ban on imports of toxic waste), and since choosing trading partners according to their environmental protection standards (for instance, exploitation without reforestation) is inconsistent with GATT, new international rules are needed to tackle these problems. These could include agreements to ensure observance of minimum ecological standards during production. It would then be less attractive to companies in industrial countries merely to switch production abroad on account of the lower environmental protection costs.

Since the aim of 'sustainable development' has been incorporated in the preamble of the treaty establishing the World Trade Organization (WTO) following the conclusion of the Uruguay Round of GATT negotiations, the WTO is now called upon to adopt binding directives for 'trade and environment'. It will have to take account of the risk of industrial nations

using such ecological standards as yet another excuse for protectionist measures to the detriment of developing countries. This danger must be counteracted by means of impartial procedures for interpreting the rules.

Consequences on Industrial Economies

Owing to the extent to which natural resources are currently being consumed and the ensuing ecological burden, and also in view of the technological capabilities of the modern industrial countries and the economic options available to them, these countries must be required to adopt production methods that are more in keeping with ecological requirements, and they must lead the way by restructuring their industries along these lines.

(a) In this process, it is necessary to eliminate the kind of market activity which places a heavy burden on the environment (for instance, incentives to European or American farmers to produce more irrespective of the scarcity of resources, or the subsidizing of energy production which is conducive to waste). Since there is a demand for environmental preservation measures in industrial countries, there is also some support for the idea of paying farmers to engage in activities which protect the landscape. For some of them this may be compensation for loss of earnings resulting from a reorientation of farm policy, but it will also give them the feeling that they are actually providing services for which there is a demand, which is an important factor for their integration into the community.

(b) In many areas external costs have not yet been sufficiently internalized. In the case of air and water pollution as well as waste disposal, attempts must be made to offset the costs in a way which will gradually reduce the degree of pollution and damage.

(c) Owing to the expected impact of CO_2 emissions on the climate, further increases in this substance in the industrial countries must first be stopped as quickly as possible and then reduced. Technical requirements, certificates allowing CO_2 to be emitted in annually declining quantities, as well as a charge for CO_2 emissions (a 'CO_2 tax') would be useful instruments for this purpose.

A CO_2 tax would only have an impact on the environment if fossil fuels were taxed according to the actual CO_2 burden caused and, thus, made considerably more expensive, but without unjustified exemptions (for instance, to save miners' jobs) or additional burdens resulting from the use of

non- CO_2, sources of energy (wind, water, solar and nuclear energy). In order to avoid distortions in the use of energy steps will have to be taken to ensure that in the case of non-CO_2 sources, too, the external costs are internalized. All the big industrial nations (EU countries, Japan, United States) must be involved in such measures. This is the only way to prevent distortions of competition and keep the global effects actually measurable.

(d) In the field of energy, all possibilities of using regenerative sources (i.e. those which do not cause CO_2 pollution) must be resorted to and every feasible economy made. This may require us to accept drastic changes to some of our habits in the long term (i.e. as regards production methods, housing, work, transport). The question of retaining nuclear power or phasing it out must also largely be assessed in terms, not only, of reactor safety and the disposal of nuclear fuel but of the possible consequences of larger CO_2 emissions. One also has to take into account the effects of CO_2 emissions and of the waste heat generated through the installation and operation of nuclear power stations.

(e) Transport, especially individual transport, is a major environmental problem in the highly industrialized countries. The cost of petrol (measured in working minutes) is today lower than it was prior to the first oil price explosion in 1973. For this but also for other reasons (the growing number of families with second and third cars) the numbers of cars (per thousand inhabitants) and the degree of motorization have increased in recent years. On ecological grounds, this trend cannot be continued. The following steps will have to be taken to restrict it.

Public transport systems are usually too ponderous to be able to operate economically and offer customer-friendly services. They will therefore have to be made more attractive economically. This is essential if they are to become more acceptable ecologically and energy-saving. These improvements cannot be achieved without further deregulation and privatization. Furthermore, various measures (e.g. technical conditions together with a pollution-related car tax, an increase in mineral oil tax, speed limits, and proof that garage space is available) will have to be introduced to make individual transport less attractive. These would be good incentives for resorting faster and to a greater extent to known technologies that are less of a burden on the environment and developing them further.

(f) Industrial countries should not pass on their ecological problems to other nations (e.g. by exporting [toxic] waste) who agree to take such products

because of their ignorance of the possible long-term consequences or because of their dire economic circumstances. International agreements such as the *Lomé IV Convention*, under which the EU countries have undertaken not to export toxic waste to ACP countries, should be extended and effectively implemented.

(g) To the extent that industrial countries, for instance as a result of positive external effects, profit from tropical rainforests, they are under obligation to pay compensation to developing countries to preserve them. The countries receiving such payments would for their part have to promise to allow controls to be carried out by external agencies. The payments would be made in instalments and adjusted from time to time depending on the extent to which the countries concerned have met their obligations.

(h) The industrial nations should assist the developing countries in the following areas of environmental protection, within the framework of economic cooperation:

- Introducing environmentally acceptable technologies, particularly alternative sources of energy that are easy to operate and service (solar energy stations and wind farms, small hydroelectric power stations);
- providing know-how in the establishment of environmental protection agencies, drafting environmental legislation and ensuring its effective implementation; and
- Setting up ecological research establishments to promote, for instance, environmentally acceptable farming methods and forest management.

In these areas, the bilateral would be preferable to the multilateral approach because decentralization is conducive to broader experimentation and, thus, the testing of more options. There could be an exchange of experience at a later date.

Ecologically acceptable economic activity can be expected to develop to the extent that it proves possible to pass on the cost of environmental protection. Thus, for instance, the use of cars for leisure (about 50 % of all car journeys) can become dearer, which suggests that people should use their leisure time differently. By internalizing external costs to a greater extent it is possible to dispense with jobs in branches of the economy that are a particular burden on the environment while allowing new ones to be created in environmentally acceptable areas of production (e.g. the service sector).

But such consideration for the environment presupposes that the necessary adjustments are tolerated. Where the social impact is considerable it will be necessary to provide assistance for such adjustments. It is still necessary for nations to agree to waiver some of their national sovereignty within the framework of international agreements. It is the task of the associations, the political parties, and above all the Christian Churches on account of their universal structure stemming from their faith, to promote public awareness of this necessity.

Consequences On Developing Countries

Owing to the systemic links between different problems areas (ecology, poverty, population trends), it is necessary to reform the social institutions in the developing countries to create new ones, and to foster the culture, value-concepts and so on that are a prerequisite for both reform and the proper functioning of new institutions. In this connection, it has to be remembered that there existed in the traditional culture of many peoples both elements of respect for nature and rules for political leaders to apply for the benefit of the community as a whole. It is, therefore, essential to draw on such value-concepts and to use them creatively in establishing the new cultural, political and economic conditions for a global society.

The fundamental problem of many developing societies lies in the fact that their social order is not a system of cooperation for the mutual benefit of all, that is to say, there are no rules, institutions and values that serve the common weal. On the contrary, the uncoordinated pursuit of short-term selfish aims eventually causes damage to the community as a whole. Thus, if only in order to protect their long-term collective interests developing countries ought themselves to be the first to take an interest in safeguarding and preserving their ecological assets, for overexploitation reduces the sustainability of those assets or, in extreme cases, destroys them altogether. Their aim should be, through cooperation with others and the restructuring of their own social institutions, to ensure that uncoordinated individual behaviour on the one hand and short-term selfish interests of minorities on the other do not prejudice their common interests in the long term. The following aspects would seem to have considerable bearing on efforts to cope with the interdependence of the problems of poverty, population and environment.

(a) Only if there exists a constitutional state with a democratically elected parliament, an independent judiciary and an administration that is commit ted to the public good (that is to say one that is not arbitrary but free from

corruption) is it possible to stipulate exact individual and group property rights (e.g. by means of a land survey office, agricultural reforms), to ensure that they are reliably upheld, but also to bind society to effective rules (e.g. laws which provide for reforestation) and the protection of nature parks, etc. For only owners whose property rights are secured in the long term will take care of their natural resources, will preserve them and try to sustain their use. Moreover, the installation of such democratic institutions meets the wishes of large sections of the population in developing countries who, after all, have a feeling for fair administration of justice and government action.

Conditions of democracy benefit the poorest section of the population most of all since they are then no longer exposed to the dictatorial attitudes of officials or those wielding physical, social, political and economic power. Only where the rule of law prevails do poor people have the chance to enjoy the fruits of their labour themselves and are no longer open to the danger of their property being acquired by outsiders.

Democratic conditions are also prerequisites for reducing population growth, however, because in such a society and given monetary stability it is possible to make provision for 'old age by forming monetary and material assets instead of relying solely on one's descendants. And again, it is only in a democratic society that confidence in collective forms of 'old age' provision, i.e. social security, can develop.

(b) But democratic stability is only sustainable if the social system is accepted by the community as a whole. Rights of ownership protected by the rule of law will not be accepted by the majority if the distribution of, say, landed property is extremely unequal, that is, there is a small group of large landowners and a large group of landless people who, apart from having no land, also have no access to other forms of ownership (human capital, means of production, housing etc.). Social acceptance of democratic institutions has to be promoted by government redistribution policies (land reform, education for all, social housing programme, etc.). In the conditions prevalent in many developing countries, capital-formation schemes serve to increase efficiency in broad sections of the community, especially where non-performance-related pensions are absorbed by increased competition, factor quality is improved (education) and factor use increased through larger sections of the population having better access to land (redistribution of land, improved leasing arrangements).

Relevant Literature

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