

The Vision Summit 2002
World Peace: The Difference We Can Make
May 17 – 19, 2002, Washington D.C.

Macroshifting Toward Holos: Practical Steps Toward a Sustainable Civilization

Ervin Laszlo

The Need for a Macroshift

It is said that on September 11 the world entered a state of crisis. This is true, yet the crisis the world entered was not *caused* by that act of terrorism, horrendous as it was—it was only *precipitated* by it. The real roots of the global crisis are the stress, misery, and resentment among millions and indeed billions of people. This creates an untenable situation. It was bound to find expression, if not in one way then in another and if not on September 11 then soon after that. Crisis in the world is not the result of arbitrary acts by a few individuals, whether dictators or terrorists. Its roots lie in the way the economic and social system created in the 20th century is structured, and the way it operates.

We have entrusted our fortunes, even our health and our well-being, to the workings of the market. The economic and social system based on the market has brought unparalleled wealth and luxury to a few, but it is bringing marginalization and misery to many. It is globalizing production, trade, finance, and communication, and at the same time it is producing national and regional unemployment, widening income gaps, and mounting environmental degradation. The benefits of economic growth, for long the main indicator of progress, are becoming ever more concentrated. While the richest twenty percent of the world population becomes richer still, the poorest twenty percent is pressed into abject poverty, barely surviving in shantytowns and urban ghettos in the shadows of ostentatious affluence.

The world community is growing together in some respects and is coming apart in others. In the industrialized countries job security and security of corporate survival are things of the past. On the level of personal security, the greater the wealth the greater the danger to life and limb. In the poor countries poverty is aggravated by hunger, joblessness, and degrading conditions of life. Both rich and poor countries overwork productive lands, contaminate rivers, lakes and seas, and draw down water tables. And the gap between the modern and the traditional segments of society rends apart the structures and the institutions on which social stability vitally depends.

As it is presently constituted, the world's economic and financial system is inherently unsustainable. Infinite growth is not possible in a finite environment, but the international monetary system requires endless growth just to keep from collapsing. Most of the money used around the world is created on the basis of debt, and it ceases to exist if the debt is repaid. This means that if the system is not to collapse because much of the money required to make trading possible has disappeared, it needs to keep growing sufficiently to ensure that investors continue to find attractive opportunities, and keep borrowing more than they repay. The money this generates further exacerbates the gap between rich and poor economies. Some \$19 trillion is invested in the world's stock markets alone—the equivalent of the combined gross domestic product of the G-8 industrialized countries, where it has the best chances of generating high and quick returns. More than two-thirds of direct foreign investment goes to the richest 20 percent of the global population and only 1 percent reaches the poorest 20 percent.

These conditions are socially and politically explosive. They fuel resentment and revolt and provoke massive migration from the countryside to the cities, and from the poorer to the richer regions. Fanatics wage holy wars and resort to terrorism, antiglobalists seek to block international trade and business, and organized crime engages in information fraud, corruption, and traffic in women and children as well as drugs, organs, and all manner of weapons. The roots of the current crisis lie in the unsustainability of socio-economic conditions in the world.

The unsustainability of today's world also has ecological roots. In the past a functional equilibrium could be maintained between human populations and the biosphere: the exploitation of the environment was relatively modest. With primitive technologies and small populations the supply of natural resources seemed endless and the damage caused to the environment insignificant. Even when improved technologies depleted or destroyed a local environment, there were other environments to conquer and exploit.

By the middle of the nineteenth century the world population reached one billion, and its resource use increased dramatically. Both population and resource use continued to grow throughout the 20th century. In the past fifty years our parents and grandparents used more natural resources than in all of the preceding millennia put together. Today we are 6.2 billion humans, and while our numbers are unprecedented, our bodies still constitute but a tiny 0.014 percent of the planet's entire biomass, and a modest 0.44 percent of the biomass of all animals. But the load we place on nature is out of proportion to our numbers.

Our progressive degradation of nature was not widely recognized until the 1980's. The evident success of technological civilization obscured the fact that our life-supporting environment became more and more degraded.

Chemically bolstered mechanized agriculture increased yields per acre and made more acres available for cultivation, but it also increased the growth of algae that chokes our lakes and waterways. Chemicals such as DDT proved to be effective insecticides, but poisoned entire animal, bird, and insect populations. The 200 to 500 tons of hazardous chemicals we produce each year poison humans as well as plants and animals. In addition to a variety of other toxins, people in industrialized societies carry 500 to 1,000 times more lead in their body than their less endangered fathers and grandfathers.

Humankind is approaching the outer edge of the Earth's capacity to sustain higher forms of life. Living at the edge is dangerous, because ecosystems do not collapse in piecemeal fashion. Industrial societies have been operating on the assumption that in nature cause and effect are proportional—an additional ounce of pollution produces an additional ounce of damage. This, however, is not the case. Research reported in the science journal *Nature* indicates that ecosystems may be polluted for many years without any change at all, and then suddenly flip into an entirely different condition. Gradual changes accumulate vulnerability, until a single shock to the system, such as a flood or a drought, knocks the system into a different state, less adapted to sustain human life and economic activity.

A leap into a catastrophic new state can also occur in the global climate. According to a report by the US National Academy of Sciences, abrupt changes can come about when the climate system is forced to cross a critical threshold. The global warming trend projected over the course of the next 100 years—a rise in temperatures somewhere between 1.4 and 5.8 degrees centigrade—could occur already in the next few years. The changed climate would undermine human settlements and ecologies throughout the world. Forests would be consumed by fires, grasslands would dry out and turn into dust bowls, wildlife would disappear, and diseases such as cholera, malaria, dengue, and yellow fever would decimate human populations.

Today's world is neither socio-economically nor ecologically sustainable. This condition cannot be prolonged indefinitely. We either macroshift to a higher level of sustainability or risk major havoc.

Two Futures

There is not just one possible future before us but two: a negative future of breakdown, and a positive future of breakthrough.

Breakdown

The initial conditions:

- Increasing population pressure (77 million humans added to the population every year, 97 percent of them in the poor countries);
- Spreading poverty (nearly two billion living at less than two dollars a day more than one billion at the lowermost edge of physical subsistence);
- Widening gap between rich and poor people as well as rich and poor economies (eighty percent of the human population has 14 percent of global consumption, while the richest twenty percent accounts for 86 percent);
- Religious intolerance (Ireland, Turkey, Kashmir, the Middle-East, ...);
- Fundamentalism and fanaticism (Bosnia, Ireland, Iraq, Afghanistan, Al Qaida, ...);
- Impending food and water shortages (sub-Saharan Africa, China, Southern Asia, Meso-America, ...);
- Accelerating climate change (extremes of cold and heat, violent storms, changed rainfall patterns);
- Worsening industrial, urban, and agricultural pollution (changed chemical composition of the atmosphere, desalination and impoverishment of agricultural lands, lowering and poisoning of water tables);

- Accelerating deforestation and reduction of biodiversity (disappearance of tropical rainforests, loss of untold species, monocultures on cultivated lands);
- Rising sea levels (loss of low-lying plains and river valleys in Southern Asia, flooding of island countries in the Pacific, and threat to coastal cities throughout the world);

The first consequences:

- Growing incidence of harvest failures due to changing weather patterns;
- Starvation and unsanitary conditions giving rise to HIV/AIDS and other epidemics;
- Wars over access to fresh water and staple food supply in Asia, Africa, and Latin America;
- Millions of climate refugees from flooded coastal cities and low-lying areas;
- Massive waves of destitute migrants moving toward North America and Europe.

The subsequent events:

- Growth of the antiglobalization movement into a threat to U.S. and generally to Western political and economic hegemony.
- Breakdown of the world financial system reflected in the cancellation of global trade agreements and the disruption of trade flow;
- Deepening insecurity and violence owing to maverick as well as organized terrorism;
- International and intercultural conflict issuing in local and regional wars;
- Rise of strong-arm regimes in many parts of the world, especially in the hardest hit regions of the South;
- Collapse of the North Atlantic alliance linking Europe and North America and breakdown in relations between the U.S. and Russia;
- Worldwide spread of terrorism, corruption, anarchy, and organized crime;
- Insertion of nuclear, chemical, and biological weapons in local and regional conflicts and escalation toward the global level.

Breakthrough

Initial conditions:

The same as in the scenario of breakdown.

The first consequences:

- Population pressures, poverty, fanaticism, and a variety of environmental threats and disasters trigger a change in the way people think. As in England and Russia during World War II and in America in the aftermath of September 11, people pull together to confront the threat they face in common.
- New thinking provides a higher level of support for governmental policies and corporate strategies demonstrating greater social and ecological responsibility.
- New thinking also encourages leading governments and corporations to explore ways and means of mutually beneficial cooperation with non-Western peoples and traditional cultures.
- Funds and capital are increasingly reassigned from military and defense purposes to alleviate the plight of poor people domestically as well as internationally.
- Basic reforms are undertaken in the world's financial system: a world currency is placed into circulation by the reformed World Bank Group on the basis of population size rather than economic power so as to create a more equitable flow of money among the world's disparately developed economies.
- Measures are undertaken to safeguard the environment create an effective system of food and resource distribution, and develop and put to work sustainable energy, transport, and agricultural technologies.

The subsequent events:

- By making jobs and education more widely available, the worst forms of hunger and poverty are eliminated in the poor countries as well as in the poor segments of the rich countries.

- As a series of systems reforms take effect, international and intercultural mistrust, ethnic conflict, racial oppression, economic inequity, and gender inequality give way to a higher level of trust and respect among the world's peoples and cultures, and a greater readiness to cooperate in projects of mutual interest.

These scenarios illustrate the diametrically opposing outcomes that can follow from today's unsustainable condition. The difference between them is not in the initial conditions: the world from which both scenarios take off is the same: it is today's world. The difference is in the way people *respond* to these conditions. They think differently about the world and their responsibilities for thinking and acting in the world. As a statement signed by one hundred Nobel laureates at the Nobel Peace Prize Centennial Symposium of December, 2001, pointed out, "The most profound danger to world peace in the coming years will stem not from the irrational acts of states or individuals but from the legitimate demands of the world's dispossessed ... to survive in the world we have transformed, we must learn to think in a new way."

New ways of thinking are spreading in the world. But it is by no means clear that they will spread fast enough to head off a scenario of breakdown. We need to take practical steps to load the die in favor of a positive outcome: a constructive macroshift to a more sustainable world. Here is a short list of things we can and should do urgently—in the sphere of civil society, in the area of government, and in the world of business.

Things to do in civil society:

What we do in the personal sphere of our life is no longer merely our private business. The right to privacy is sacrosanct, but it cannot be worshipped out of context. Nobody is an island. How one person lives and what he or she does affects others in society. In an interdependent and interacting world each person is a factor in the future of all. Some aspects of our private lives have become public business.

The principle that can guide people's behavior in civil society is simple and meaningful: *doing good and doing well are not contradictory: they go together*. If a person lives and acts in a way that is good for others and for nature, he and she live ethically—and can also live well.

Ten "rules of thumb" spell out some features of responsible ethical living in civil society. If a person lives ethically he or she:

1. lives in a way that satisfies his or her essential needs without detracting from the chance of other people to satisfy theirs;
2. lives in a way that respects the right to life and development of all people, wherever they live and whatever their ethnic origin, sex, citizenship, and belief system;
3. lives in a way that safeguards the right to life and to a healthy environment of all the things that live and grow on this Earth;
4. pursues happiness, freedom, and personal fulfillment in consideration of the similar pursuits of his or her fellows in society;
5. does his or her best to help those less privileged than we are to live without hunger and penury, whether they live next door or in another part of the community or state;
6. joins with like-minded people to preserve or restore the integrity of the environment so it could generate and regenerate the resources essential for human life and well-being;
7. helps children and young people to discover responsible ways of living and acting of their own;
8. gives preferences to newspapers and magazines, television and radio programs and Internet sites that provide regular and reliable information on the trends and processes that affect our life and help us take informed decisions on the issues that decide our time;
9. demands that governments "beat swords into plowshares" and relate to other nations and cultures peacefully and in a spirit of cooperation, recognizing the legitimate aspirations for a better life and life-supporting environment of all the peoples and cultures of the world; and
10. patronizes businesses that produce goods and offer services that satisfy people's own needs without impairing the environment and aggravating the gap between rich and poor.

There are additional requirements of ethical living in regard to the flow of information in society. The objective is not merely to amplify this flow, for it is already enormous, but to make it relevant to people's lives and future. At present the

information that reaches the public is largely determined by commercial factors: the public gets what it is willing to buy—from the viewpoint of the media, whatever “sells.” Believing that the public is interested in few things other than the stock market, war, crime, sports, and the doings of the famous and the powerful, much of the domestic and international media concentrates on sensationalistic items with “news value.” But the daily diet of such items does not help people to make informed choices on issues that regard their lives and their future. There are better ways the media could operate.

Things to do in government:

There are important things besides day-to-day administration and politics to which government should be directing attention. On the domestic front, government needs to monitor changes in people’s life-ways, values, and aspirations. It needs to create task forces to study ways schools and colleges could have better information on pertinent local and global developments, including value change in local communities. On the international front, government needs to review the country’s foreign policy in the political as well as in the economic and financial domain. It should seek politically feasible ways to place dialogue aimed at understanding and accommodation above policies that seek purely economic advantages and political or military domination, and it should work collaboratively with like-minded governments to reform the presently inequitable and unsustainable international economic and financial system.

Government must be responsible for:

- ongoingly monitoring and taking into account the changing lifestyles, patterns of consumption, and values and expectations of the various cultures and subcultures of society;
- adopting safer and more efficient technologies in public services, including the energy, transport, and communication sectors;
- researching, designing, and implementing projects for healthier and more natural living in cities and towns;
- offering a choice of up-to-date alternative healing methods in public health care;
- making available ways and means for people to enjoy the natural environment without destroying ecological balances and despoiling or reducing wilderness areas; and
- relating to other governments in a spirit of fairness and collaboration, making use of existing channels for inter-governmental and international cooperation or creating more adequate channels to achieve such aims.

The responsibilities of government include public education as well. Schools and colleges need to be encouraged and enabled to study and follow up local and global changes in values and beliefs, and insert a planetary dimension in discussions about ethics, rights, and responsibilities. The educational system should enable children and young people to make wise and responsible choices on issues that decide their future. This does not call for telling students what values, beliefs, and ethics they should adopt, only for placing the values, beliefs, and ethics to which they are already exposed in home and community in the broader national and global context.

The educational institutions of government could ensure that public schools revise the pertinent textbooks and update the curricula, and that there are informed programs of teacher education, so that the educators who educate the next generation are up to the historic challenge that confronts them.

Things to do in the business world:

The things to be done in the world of business are as urgent and important as those in civil society and in government. The companies that design and produce today’s plethora of goods and services wield unprecedented power and have unprecedented wealth—they have become a major factor in deciding our future. The world’s top five hundred industrial corporations employ only 0.05 percent of the human population but control 70 percent of world trade, 80 percent of direct foreign investment, and 25 percent of world economic output. The sales of the largest companies, such as General Motors, Ford, Mitsui, Mitsubishi, Royal Dutch Shell, Exxon, and Wal-Mart, exceed the GDP of dozens of countries, including Poland and Norway, Greece, Thailand, and Israel.

Wielding power and wealth entails responsibility. If business companies can decide which way the world’s economy is headed, they must act wisely. They need to switch from a “shareholder philosophy” to a “stakeholder philosophy.”

If a business company embraces the stakeholder philosophy, it:

Macrosifting Toward Holos: Practical Steps Toward a Sustainable Civilization, Ervin Laszlo

- accurately and honestly represents to the public the long-term benefits and costs of its products and services, including their safety, social consequences, environmental toxicity, reusability, and recyclability;
- gives preference to ethical companies as partners and associates, and refuses to do business with companies that behave unfairly toward their employees, their customers, and the local communities, or degrade the environment;
- actively seeks to reduce pollution and environmental damage and minimizes waste in its production processes, and throughout its supply and distribution chain;
- consults its employees when formulating company goals and objectives;
- takes a similarly active interest in the people and concerns of the host communities, encouraging employees to devote part of their time to social work, or to the protection of the local environment.